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ABSTRACT

This is a compilation of the Food Stamp Act of 1977 and other selected Federal nutrition statutes, including those relating to the Act and major authorities for domestic commodity distribution. The section on the Act itself covers policy, definitions, establishment, eligibility, issuance and use of coupons, value of allotment, approval of food stores and wholesale food concerns, redemption of coupons, administration, civil money penalties and disqualification of retail food stores and wholesale food concerns, collection and disposition of claims, administrative and judicial review, violations and enforcement, administrative cost-sharing and quality control, research, demonstration, evaluations, authorization for appropriations, block grant, and workfare. The remainder of the report concerns the distribution of commodities, information and eligibility guidelines, rules and standards, and the role of States and agencies other than Federal agencies in the distribution of food and other commodities to eligible groups. (KH)

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98th Congress
2d Session

COMMITTEE PRINT

COMPILATION

OF

THE FOOD STAMP ACT OF 1977

AND

OTHER SELECTED FEDERAL NUTRITION STATUTES

PREPARED BY THE STAFF

COMMITTEE ON AGRICULTURE
U.S. HOUSE OF REPRESENTATIVES

JUNE 1984

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FOOD STAMP ACT OF 1977 [1]

SHORT TITLE

SECTION 1. This Act may be cited as the "Food Stamp Act of 1977". (7 U.S.C. 2011 note)

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, in order to promote the general welfare, to safeguard the health and well-being of the Nation's population by raising levels of nutrition among low-income households. Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a food stamp program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation. (7 U.S.C. 2011)

DEFINITIONS

SEC. 3. As used in this Act, the term:

(a) "Allotment" means the total value of coupons a household is authorized to receive during each month.

(b) "Authorization card" means the document issued by the State agency to an eligible household which shows the allotment the household is entitled to be issued.

(c) "Certification period" means the period for which households shall be eligible to receive authorization cards. For those households that are required to submit periodic reports under section 6(c)(1) of this Act, the certification period shall be at least six months but no longer than twelve months except that the foregoing limits on the certification period may, with the approval of the Secretary, be waived by a State agency for certain categories of households where such waiver will improve the administration of the program.[2] For households that are not required to submit periodic reports, the certification period shall be determined as follows:

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[1] Title XIII of the Food and Agriculture Act of 1977, Public Law 95-113, 91 Stat. 958, replaced the Food Stamp Act of 1964, as amended.

[2] Amended by Public Law 97-35, section 108(a), 95 Stat. 361, Aug. 13, 1981, to authorize the Secretary to waive the 12 month limit. Further amended by Public Law 98-204, section 8, 97

Continued

(1) In the case of a household all of whose members are included in a federally aided public assistance or general assistance grant, the period shall coincide with the period of such grant.

(2) In the case of all other households, the period shall be not less than three months: *Provided*, That such period may be up to twelve months for any household consisting entirely of unemployable or elderly or primarily self-employed persons, or as short as circumstances require for those households as to which there is a substantial likelihood of frequent changes in income or household status, and for any household on initial certification, as determined by the Secretary.[3] The maximum limit of twelve months for such period under the foregoing proviso may be waived by the Secretary where such waiver will improve the administration of the program.[4]

(d) "Coupon" means any coupon, stamp, or type of certificate issued pursuant to the provisions of this Act.

(e) "Coupon issuer" means any office of the State agency or any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated functional responsibility in connection with, the issuance of coupons to households.

(f) "Drug addiction or alcoholic treatment and rehabilitation program" means any such program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91-616 (Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970) and Public Law 92-255 (Drug Abuse Office and Treatment Act of 1972) as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics.

(g) "Food" means (1) any food or food product for home consumption except alcoholic beverages, tobacco, and hot foods or hot food products ready for immediate consumption other than those authorized pursuant to clauses (3), (4), (5), (7), and (8) [5] of this subsection, (2) seeds and plants for use in gardens to produce food for the personal consumption of the eligible household, (3) in the case of those persons who are sixty years of age or over or who receive supplemental security income benefits under title XVI of the Social Security Act, and their spouses, meals prepared by and served in senior citizens' centers, apartment buildings occupied primarily by such persons, public or private nonprofit establishments (eating or otherwise) that feed such persons, private establishments that contract with the appropriate agency of the State to offer meals for

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Stat. 1385, Dec. 2, 1983, to delete such waiver authority of the Secretary and to permit State agencies, with the Secretary's approval, to waive certification period limits for certain households.

[3] Amended by Public Law 96-249, section 111, 94 Stat. 360, May 26, 1980, to include certification period for households required to submit periodic reports.

[4] Amended by Public Law 98-204, section 3, 97 Stat. 1385, Dec. 2, 1983, to add final sentence of clause (2).

[5] Amended by Public Law 96-58, section 7(1), 93 Stat. 392, Aug. 14, 1979, to add the reference to clause (7). Amended by Public Law 96-249, section 101(a)(1), 94 Stat. 357, May 26, 1980, to delete "and (7)" and insert in lieu thereof "(7) and (8)".

such persons at concessional prices, and meals prepared for and served to residents of federally subsidized housing for the elderly, (4) in the case of persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise so disabled that they are unable adequately to prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or by a private establishment that contracts with the appropriate State agency to perform such services at concessional prices, (5) in the case of narcotics addicts or alcoholics served by drug addiction or alcoholic treatment and rehabilitation programs, meals prepared and served under such programs, (6) in the case of certain eligible households living in Alaska, equipment for procuring food by hunting and fishing, such as nets, hooks, rods, harpoons, and knives (but not equipment for purposes of transportation, clothing, or shelter, and not firearms, ammunition, and explosives) if the Secretary determines that such households are located in an area of the State where it is extremely difficult to reach stores selling food and that such households depend to a substantial extent upon hunting and fishing for subsistence, (7) in the case of disabled or blind recipients of benefits under title II or title XVI of the Social Security Act who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act, meals prepared and served under such arrangement,[6] and (8) in the case of women and children temporarily residing in public or private nonprofit shelters for battered women and children, meals prepared and served, by such shelters.[7]

(h) "Food stamp program" means the program operated pursuant to the provisions of this act.

(i) "Household" means (1) an individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from the others, or (2) a group of individuals who live together and customarily purchase food and prepare meals together for home consumption; except that parents and children, or siblings, who live together shall be treated as a group of individuals who customarily purchase and prepare meals together for home consumption even if they do not do so, unless one of the parents or siblings [8] is an elderly or disabled member.[9] Notwithstanding clause (1) of the preceding sen-

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[6] Amended by Public Law 96-58, section 7, 93 Stat. 392, Aug. 14, 1979, to add clause (7). This provision ". . . shall be implemented in all States by July 1, 1980, and shall not affect the rights or liabilities of the Secretary, States and applicant or participating households, under the Food Stamp Act of 1977 in effect on July 1, 1979, until implemented." (Public Law 96-58, section 10(c), 93 Stat. 393, Aug. 14, 1979).

[7] Amended by Public Law 96-249, sections 101(a) (2) and (3), 94 Stat. 357, May 26, 1980, to delete the word "and" before "(7)" and add clause (8).

[8] Amended by Public Law 97-35, section 101(1), 95 Stat. 357, Aug. 13, 1981, to include language beginning "except that parents". Further amended by Public Law 97-253, section 142(1), 96 Stat. 772, Sept. 8, 1982, to prevent siblings who live together from participating as separate households unless elderly or disabled.

[9] Amended by Public Law 97-98, section 1302, 95 Stat. 1282, Dec. 22, 1981, to insert before the period at the end of the first sentence the language beginning ", or receives supplemental security income . . ." through the end of that sentence. Further amended by Public Law 97-35, section 102, 95 Stat. 357, Aug. 13, 1981, to exclude boarders from household definition by deleting

Continued

tence, an individual who lives with others, who is sixty years of age or older, and who is unable to purchase food and prepare meals because such individual suffers, as certified by a licensed physician, from a disability which would be considered a permanent disability under section 221(i) of the Social Security Act (42 U.S.C. 421(i)) or from a severe, permanent disabling physical or mental infirmity which is not symptomatic of a disease shall be considered, together with any of the others who is the spouse of such individual, an individual household, without regard to the purchase of food and preparation of meals, if the income (as determined under section 5(d)) of the others, excluding the spouse, does not exceed the poverty line, as described in section 5(c)(1), by more than 65 per centum.[10] In no[11] event shall any individual or group of individuals constitute a household if they reside in an institution or boarding house, or else live with others and pay compensation to the others for meals.[12] For the purposes of this subsection, residents of federally subsidized housing for the elderly, disabled or blind recipients of benefits under title II or title XVI of the Social Security Act who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act,[13] temporary residents of public or private nonprofit shelters for battered women and children,[14] and narcotics addicts or alcoholics who live under the supervision of a private nonprofit institution for the purpose of regular participation in a drug or alcoholic treatment program shall not be considered residents of institutions and shall be considered individual households.[15]

(j) "Reservation" means the geographically defined area or areas over which a tribal organization (as that term is defined in section 3(p) of this Act exercises governmental jurisdiction.

(k) "Retail food store" means (1) an establishment or recognized department thereof or house-to-house trade route, over 50 per centum of whose food sales volume consists of staple food items for home preparation and consumption, such as meat, poultry, fish,

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in clause (1) of the first sentence "or else pays compensation to the others for such meals,", and deleting in clause (2) of the first sentence "or else live with others and pay compensation to the others for such meals". Further amended by Public Law 97-253, section 145(b), 96 Stat. 774, Sept. 8, 1982, to delete "sixty" and all that follows in the first sentence and replace it with "an elderly or disabled member."

[10] Amended by Public Law 97-253, section 142(2), 96 Stat. 772, Sept. 8, 1982, to insert a new sentence after the first sentence allowing the disabled or elderly to participate as separate households under certain special criteria.

[11] Amended by Public Law 97-35, section 101(2), 95 Stat. 357, Aug. 13, 1981, to replace the word "neither" in second sentence with "no".

[12] Amended by Public Law 97-35, section 102, 95 Stat. 357, Aug. 13, 1981, to add before the period at the end of the second sentence ", or else live with others and pay compensation to the others for meals".

[13] Amended by Public Law 96-58, section 7(4), 93 Stat. 392, Aug. 14, 1979, to include the provision referring to certain disabled and blind individuals. (See footnote 6 for implementation instructions).

[14] Amended by Public Law 96-249, section 101(a)(4), 94 Stat. 357, May 26, 1980, to include temporary residents of public or private nonprofit shelters for battered women and children.

[15] Amended by Public Law 96-58, section 7(b), 93 Stat. 392, Aug. 14, 1979, to add the final clause to subsection (i). (See footnote 6 for implementation instructions). Public Law 98-107, section 101(b), 97 Stat. 734, October 1, 1983, provided that the provisions of sections 3 (f) and (i) and 10 of the Food Stamp Act concerning private, nonprofit drug addiction or alcoholic treatment and rehabilitation programs shall also be applicable to publicly operated community health centers.

bread, cereals, vegetables, fruits, dairy products, and the like, but not including accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices, (2) an establishment, organization, program, or group living arrangement referred to in subsections (g) (3), (4), (5), (7),[16] and (8)[17] of this section, (3) a store purveying the hunting and fishing equipment described in subsection (g)(6) of this section, and (4) any private nonprofit cooperative food purchasing venture, including those in which the members pay for food purchased prior to the receipt of such food.

(l) "Secretary" means the Secretary of Agriculture.

(m) "State" means the fifty States, the District of Columbia, Guam, the Virgin Islands of the United States, and the reservations of an Indian tribe whose tribal organization meets the requirements of this Act for participation as a State agency.[18]

(n) "State agency" means (1) the agency of State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within such State, and in those States where such assistance programs are operated on a decentralized basis, the term shall include the counterpart local agencies administering such programs, and (2) the tribal organization of an Indian tribe determined by the Secretary to be capable of effectively administering a food distribution program under section 4(b) of this Act or a food stamp program under section 11(d) of this Act.

(o) "Thrifty food plan" means the diet required to feed a family of four persons consisting of a man and a woman twenty through fifty-four, a child six through eight, and a child nine through eleven years of age, determined in accordance with the Secretary's calculations. The cost of such diet shall be the basis for uniform allotments for all households regardless of their actual composition, except that the Secretary shall (1) make household-size adjustments (based on the unrounded cost of such diet) taking into account economies of scale, (2) make cost adjustments in the thrifty food plan for Hawaii and the urban and rural parts of Alaska to reflect the cost of food in Hawaii and urban and rural Alaska,[19] (3) make cost adjustments in the separate thrifty food plans for Guam, and the Virgin Islands of the United States to reflect the cost of food in those States, but not to exceed the cost of food in the fifty States and the District of Columbia, (4) through January 1, 1980,[20] adjust the cost of such diet every January 1 and July 1 to the nearest dollar increment to reflect changes in the cost of the thrifty food plan for the six months ending the preceding September 30 and March 31, respectively, (5) on January 1, 1981, adjust the cost of such diet to the nearest dollar increment to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding September 30,[21] (6) on October 1, 1982, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twenty-one months ending June 30, 1982, reduce the cost of such diet by 1 per centum, and round the result to the nearest lower dollar increment for each household size, (7) on October 1, 1983, and October 1, 1984, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30, reduce the cost of such diet by 1 per centum, and round the result to the nearest lower dollar increment for each household size, and (8) on October 1, 1985, and each October 1 thereafter, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30 and round the result to the nearest lower dollar increment for each household size: *Provided*, That the periods upon which such adjustments are based shall be subject to revision by Act of Congress.[22]

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[16] Amended by Public Law 96-58, section 7(b), 93 Stat. 392, Aug. 14, 1979, to add the words "or group living arrangement" and "(7)". (See footnote 6 for implementation instructions).

[17] Amended by Public Law 96-249, section 101(a)(5), 94 Stat. 357, May 26, 1980, to delete the word "and" before "(7)", and add the words "and (8)".

[18] "Puerto Rico" was deleted July 1, 1982, when the block grant provision of section 19 became effective. See Public Law 97-35, section 116(a)(2), 95 Stat. 364, Aug. 13, 1982.

[19] Amended by Public Law 97-98, section 1303, 95 Stat. 1282, Dec. 22, 1981, to change clause (2) to read as shown.

[20] Amended by Public Law 96-249, section 135 (1) and (2), 94 Stat. 369, May 26, 1980, to delete the word "and" before "(4)" and insert the words "through January 1, 1980,". Further amended by Public Law 97-253, section 143(a), 96 Stat. 773, Sept. 8, 1982, to add language concerning rounding procedures in clauses (1), (6), (7), and (8).

(p) "Tribal organization" means the recognized governing body of an Indian tribe (including the tribally recognized intertribal organization of such tribes), as the term "Indian tribe" is defined in the Indian Self-Determination Act (25 U.S.C. 450b(b)), as well as any Indian tribe, band, or community holding a treaty with a State government.

(q) "Allowable medical expenses" means expenditures for (1) medical and dental care, (2) hospitalization or nursing care (including hospitalization or nursing care of an individual who was a household member immediately prior to entering a hospital or nursing home), (3) prescription drugs when prescribed by a licensed practitioner authorized under State law and over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional, (4) health and hospitalization insurance policies (excluding the costs of health and accident or income maintenance policies), (5) medicare premiums related to coverage under title XVIII of the Social Security Act, (6) dentures, hearing aids, and prosthetics (including the costs of securing and maintaining a seeing eye dog), (7) eye glasses prescribed by a physician skilled in eye disease or by an optometrist, (8) reasonable costs of transportation necessary to secure medical treatment or services, and (9) maintaining an attendant, homemaker, home health aide, housekeeper, or child care services due to age, infirmity, or illness.[23]

(r) "Elderly or disabled member" means a member of a household who—

(1) is sixty years of age or older;

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[21] Amended by Public Law 96-249, section 135(3), 94 Stat. 369, May 26, 1980, to add clause (5).

[22] Amended by Public Law 97-98, section 1304, 95 Stat. 1282, Dec. 22, 1981, to delete former clauses (6) through (9), inclusive, and substitute new clauses (6) and (7). Further amended by Public Law 97-253, section 144, 96 Stat. 773, Sept. 8, 1982, to delete clauses (6) and (7) and replace them with new clauses (6), (7), and (8).

[23] Amended by Public Law 96-58, section 3, 93 Stat. 390-391, Aug. 14, 1979, to add subsection 3(q). This provision is to "be implemented in all States by January 1, 1980, and shall not affect the rights or liabilities of the Secretary, States, and applicant or participant households, under the Food Stamp Act of 1977 in effect on July 1, 1979, until implemented". (Public Law 96-58, section 10(a), 93 Stat. 392).

(2) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

(3) receives disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.);

(4) is a veteran who—

(A) has a service-connected disability which is rated as total under title 38, United States Code; or

(B) is considered in need of regular aid and attendance or permanently housebound under such title;

(5) is a surviving spouse of a veteran and—

(A) is considered in need of regular aid and attendance or permanently housebound under title 38, United States Code; or

(B) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)); or

(6) is a child of a veteran and—

(A) is considered permanently incapable of self-support under section 414 of title 38, United States Code; or

(B) is entitled to compensation for a service-connected death or pension benefits for a nonservice-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)).[24] (7 U.S.C. 2012)

ESTABLISHMENT OF THE FOOD STAMP PROGRAM

SEC. 4. (a) Subject to the availability of funds appropriated under section 18 of this Act, the Secretary is authorized to formulate and administer a food stamp program under which, at the request of the State agency, eligible households within the State shall be provided an opportunity to obtain a more nutritious diet through the issuance to them of an allotment. The coupons so received by such households shall be used only to purchase food from retail food stores which have been approved for participation in the food stamp program. Coupons issued and used as provided in this Act shall be redeemable at face value by the Secretary through the facilities of the Treasury of the United States.

(b) In jurisdictions where the food stamp program is in operation, there shall be no distribution of federally donated foods to households under the authority of any law, except that distribution may be made (1) on a temporary basis under programs authorized by law to meet disaster relief needs, or (2) for the purpose of the commodity supplemental food program. Distribution of commodities, with or without the food stamp program, shall also be made whenever a request for concurrent or separate food program operations, respectively, is made by a tribal organization. In the event of distribution on all or part of an Indian reservation, the appropriate agency of the State government in the area involved shall be responsible for such distribution, except that, if the Secretary determines that the tribal organization is capable of effectively and efficiently administering such distribution, then such tribal organizations shall administer such distribution: *Provided*, That the Secretary shall not approve any plan for such distribution which permits any households on any Indian reservation to participate simultaneously in the food stamp program and the distribution of federally donated foods. The Secretary is authorized to pay such amounts for administrative costs of such distribution on Indian reservations as the Secretary finds necessary for effective administration of such distribution by a State agency or tribal organization.

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[24] Amended by Public Law 97-253, section 145(a), 96 Stat. 773-4, Sept. 8, 1982, to add subsection (r).

(c) The Secretary shall issue such regulations consistent with this Act as the Secretary deems necessary or appropriate for the effective and efficient administration of the food stamp program and shall promulgate all such regulations in accordance with the procedures set forth in section 553 of title 5 of the United States Code. In addition, prior to issuing any regulation, the Secretary shall provide the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the regulation with a detailed statement justifying it. (7 U.S.C. 2013)

ELIGIBLE HOUSEHOLDS

Sec. 5. (a) Participation in the food stamp program shall be limited to those households whose incomes and other financial resources, held singly or in joint ownership, are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Assistance under this program shall be furnished to all eligible households who make application for such participation.

(b) The Secretary shall establish uniform national standards of eligibility (other than the income standards for Alaska, Hawaii, Guam, and the Virgin Islands of the United States established in accordance with subsections (c) and (e) of this section) for participation by households in the food stamp program in accordance with the provisions of this section. No plan of operation submitted by a State agency shall be approved unless the standards of eligibility meet those established by the Secretary, and no State agency shall impose any other standards of eligibility as a condition for participating in the program.

(c) The income standards of eligibility shall provide that a household shall be ineligible to participate in the food stamp program if—

(1) the household's income (after the exclusions and deductions provided for in subsections (d) and (e)) exceeds the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), for the forty-eight contiguous States and the District of Columbia, Alaska, Hawaii, the Virgin Islands of the United States, and Guam, respectively; and

(2) in the case of a household that does not include an elderly or disabled member, the household's income (after the exclusions provided for in subsection (d) but before the deductions

provided for in subsection (e)) exceeds such poverty line by more than 30 per centum.

In no event shall the standards of eligibility for the Virgin Islands of the United States or Guam exceed those in the forty-eight contiguous States.[25]

(d) Household income for purposes of the food stamp program shall include all income from whatever source excluding only (1) any gain or benefit which is not in the form of money payable directly to a household, (2) any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of $30 in a quarter, subject to modification by the Secretary in light of section 5(f) of this Act,[26] (3) all educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like to the extent that they are used for tuition and mandatory school fees at an institution of higher education or school for the handicapped, (4) all loans other than educational loans on which repayment is deferred, (5) reimbursements which do not exceed expenses actually incurred and which do not represent a gain or benefit to the household: *Provided*, That no portion of benefits provided under title IV-A of the Social Security Act, to the extent it is attributable to an adjustment for work-related or child care expenses, shall be considered such reimbursement,[27] (6) moneys received and used for the care and maintenance of a third-party beneficiary who is not a household member, (7) income earned by a child who is a member of the household, who is a student, and who has not attained his eighteenth birthday, (8) moneys received in the form of nonrecurring lump-sum payments, including, but not limited to, income tax refunds, rebates, or credits, retroactive lump-sum social security or railroad retirement pension payments and retroactive lump-sum insurance settlements: *Provided*, That such payments shall be counted as resources, unless specifically excluded by other laws, (9) the cost of producing self-employed income, (10) any income that any other Federal law specifically excludes from consideration as income for purposes of determining eligibility for the food stamp program, (11) any payments or allowances made under (A) any Federal law for the purpose of providing energy assistance, or (B) any State or local laws for the purpose of providing energy assistance, designated by the State or local legislative body authorizing such payments or allowances as energy assistance, and determined by the Secretary to be calculated as if provided by the State or local government involved on a seasonal basis for an aggregate period not to exceed six months in any year even if such payments or allowances (including tax credits) are not provided on a seasonal basis because it would be administratively infeasible or impracticable to do so, and (12) through September 30 of any fiscal year, any increase in income attributable to a cost-of-living adjustment made on or after July 1 of such fiscal year under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq.), section 3(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(1)), or section 3112 of title 38, United States Code, if the household was certified as eligible to participate in the food stamp program or received an allotment in the month immediately preceding the first month in which the adjustment was effective.[28]

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[25] Amended by Public Law 97-35, section 104(a)(1), 95 Stat. 358, Aug. 13, 1981, to delete all before "adjusted annually" and add new paragraphs (1) and (2). Amended by Public Law 96-249, section 127, 94 Stat. 370, May 26, 1980, to delete clause following "forty-eight contiguous States". Further amended by Public Law 97-253, sections 145(c) and 146(a), 96 Stat. 774, Sept. 8, 1982, to delete subsection (c) and replace it with new subsection (c).

[26] Amended by Public Law 96-249, section 112, 94 Stat. 361, May 26, 1980, to add the words "subject to modification by the Secretary in light of section 5(f)(2) of this Act." Further amended by Public Law 97-35, section 107(c), 95 Stat. 361, Aug. 13, 1981, to delete "5(f)(2)" and substitute "5(f)".

[27] Amended by Public Law 97-98, section 1305, 95 Stat. 1292, Dec. 22, 1981, to add the proviso in clause (5).

(e) In computing household income for purposes of determining eligibility and benefit levels for households containing an elderly or disabled member and determining benefit levels only for all other households,[29] the Secretary shall allow a standard deduction of $85 a month for each household, except that households in Alaska, Hawaii, Guam, and the Virgin Islands of the United States shall be allowed a standard deduction of $145, $120, $170, and $75, respectively.[30] Such standard deductions shall be adjusted (1) on October 1, 1983,[31] to the nearest lower dollar increment[32] to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food and the homeownership component of shelter costs, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the fifteen months ending the preceding March 31, (2) on October 1, 1984, to the nearest lower dollar increment to reflect such changes for the fifteen months ending the preceding June 30, and (3) on October 1, 1985, and each October 1 thereafter, to the nearest lower dollar increment to reflect such changes for the twelve months ending the preceding June 30.[33] All households with earned income shall be allowed an additional deduction of 18 per centum[34] of all earned income (other than that excluded by subsection (d) of this section), to compensate for taxes, other mandatory deductions from salary, and work expenses. Households, other than those households containing an elderly or disabled member,[35] shall also be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party,[36] to (1) a dependent care deduction, the maximum allowable level of which shall be the same as that for the excess shelter expense deduction contained in clause (2) of this subsection, for the actual cost of payments necessary for the care of a dependent, regardless of dependent's age, when such care enables a household member to accept or continue employment, or training or education which is preparatory for employment,[37] or (2) an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 per centum of monthly household income after all other applicable deductions have been allowed: *Provided*, That the amount of such excess shelter expense deduction shall not exceed $115 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $200, $165, $140, and $85, respectively, adjusted (i) on October 1, 1983, to the nearest lower dollar increment to reflect changes in the shelter (exclusive of homeownership costs), fuel, and utilities components of housing costs in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the fifteen months ending the preceding March 31, (ii) on October 1, 1984, to the nearest lower dollar increment to reflect such changes for the fifteen months ending the preceding June 30, and (iii) on October 1, 1985, and each October 1 thereafter, to the nearest lower dollar increment to reflect such changes for the twelve months ending the preceding June 30,[38] or (3) a deduction combining the dependent care and excess shelter expense deductions under clauses (1) and (2) of this subsection, the maximum allowable level of which shall not exceed the maximum allowable deduction under clause (2) of this subsection, on January 1, 1981, adjusted to the nearest $5 increment to reflect such changes for the eighteen-month period ending the preceding September 30, and, on January 1, 1982, adjusted to the nearest $5 to reflect such changes for the twelve months ending the preceding September 30 and the subsequent three months ending December 31 as projected by the Secretary in light of the best available data, and, on every January 1 thereafter, adjusted annually to the nearest $5 increment to reflect such changes for the nine months ending the preceding September 30 and the subsequent three months ending December 31 projected by the Secretary in light of the best available data.[39] In computing the excess shelter expense deduction under clause (2) of the preceding sentence, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance which does not fluctuate within a year to reflect seasonal variations. An allowance for a heating or cooling expense may not be used for a household that does not incur a heating or cooling expense, as the case may be, or does incur a heating or cooling expense but is located in a public housing unit which has central utility meters and charges households, with regard to such expense, only for excess utility costs. No such allowance may be used for a household that shares such expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both. Households containing an elderly or disabled member shall also be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party,[40] to—

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[28] Amended by Public Law 97-98, section 1306, 95 Stat. 1283, Dec. 22, 1981, to delete former clause (10) and all that follows and add the language shown. Further amended by Public Law 97-253, section 147, 96 Stat. 775, Sept. 8, 1982, to add clause (12).

[29] Amended by Public Law 97-35, section 104(a)(2), 95 Stat. 359, Aug. 13, 1981, to insert the language beginning "for purposes of determining eligibility" through "for all other households". Further amended by Public Law 97-253, sections 145(d) and 146(b), 96 Stat. 774-5, Sept. 8, 1982, to delete all specific definitions of elderly or disabled and replace them with a general reference to "elderly or disabled".

[30] Amended by Public Law 97-35, section 105(1), 95 Stat. 359, Aug. 13, 1981, to delete all that follows "allow a standard deduction of" and revise that sentence as shown.

[31] Amended by Public Law 97-253, section 148, 96 Stat. 775, Sept. 8, 1982, to change the references to "July 1, 1983" to "October 1, 1983".

[32] Amended by Public Law 97-253, section 143(b), 96 Stat. 773-4, Sept. 8, 1982, to insert language concerning rounding procedures throughout the section.

[33] Amended by Public Law 97-35, section 105(2), 95 Stat. 359, Aug. 13, 1981, to delete the second sentence and substitute the new sentence shown.

[34] Amended by Public Law 97-35, section 106, 95 Stat. 360, Aug. 13, 1981, to delete "20 per centum" and substitute "18 per centum".

[35] Amended by Public Law 96-58, section 2(1), 93 Stat. 390, Aug. 14, 1979, to include the provision referring to households with a member 60 years of age or older or receiving supplemental security income benefits or receiving disability payments. (See footnote 23 for implementation instructions.) Effective October 1, 1981, further amended by Public Law 96-249, section 106, 94 Stat. 358, May 26, 1980, to add "and blindness" after the word "disability", and to add references to sections I, X, XIV, XVI of the Social Security Act with respect to disability and blindness payments.

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[36] Amended by Public Law 97-98, section 1307, 95 Stat. 1203, Dec. 22, 1981, to add, following the word "entitled", ", with respect to expenses other than expenses paid on behalf of the household by a third party,".

[37] Amended by Public Law 96-249, section 104(1), 94 Stat. 358, May 26, 1980, to set maximum allowable dependent care level at $90 per month per household effective October 1, 1981. Further amended by Public Law 97-35, section 115, 95 Stat. 364, Aug. 13, 1981, to repeal section 104 of Public Law 96-249.

[38] Amended by Public Law 97-35, section 105(3), 95 Stat. 359, Aug. 13, 1981, to delete the proviso in clause (2) of the fourth sentence and substitute the new proviso as shown.

[39] Amended by Public Law 96-249, section 136(4), 94 Stat. 369, May 26, 1980, to reflect procedure for adjusting the combined deduction cap.

(A) an excess medical expense deduction for that portion of the actual cost of allowable medical expenses, incurred by elderly or disabled members, exclusive of special diets, that exceed $35 a month;

(B) a dependent care deduction, the maximum allowable level of which shall be the same as that for the excess shelter expense deduction contained in clause (2) of the fourth sentence of this subsection, for the actual cost of payments necessary for the care of a dependent, regardless of the dependent's age, when such care enables a household member to accept or continue employment, or training or education that is preparatory for employment; and

(C) an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 per centum of monthly household income after all other applicable deductions have been allowed.[41]

(f)(1)(A) Household income for those households that, by contract for other than an hourly or piecework basis or by self-employment, derive their annual income in a period of time shorter than one year shall be calculated by averaging such income over a twelve-month period.

(B) Household income for those households that receive nonexcluded income of the type described in subsection (d)(3) of this section shall be calculated by averaging such income over the period for which it is received.

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[40] Amended by Public Law 97-98, section 1307, 95 Stat. 1283, Dec. 22, 1981, to add after "entitled" the following ", with respect to expenses other than expenses paid on behalf of the household by a third party,".

[41] Amended by Public Law 96-58, section 2, 93 Stat. 390, Aug. 14, 1979, to add the last sentence of subsection (e). (See footnote 23 for implementation instructions.) The last sentence was further amended by sections 104(3), 105, and 106 of Public Law 96-249, 94 Stat. 358, May 26, 1980, to be effective October 4, 1981, to delete in clause (B) the reference to clause (2) of the prior sentence, and insert a reference to clause (1) of the prior sentence; to add "or their spouses" and change "35" to "25"; to add "blindness" after "disability" in clause (A); and to add references to titles I, X, XIV, XVI along with title II. Further amended by Public Law 97-35, section 115, 95 Stat. 364, Aug. 13, 1981, to repeal sections 104 and 105 of Public Law 96-249. Further amended by Public Law 97-253, section 149(b), 96 Stat. 776, Sept. 8, 1982, to delete the reference to "preceding sentence" in subparagraph (B) and substitute "fourth sentence of this subsection".

(2)(A) Household income for migrant farmworker households shall be calculated on a prospective basis, as provided in paragraph (3)(A).

(B) Household income for households that (i) are permitted to report household circumstances at specified intervals less frequent than monthly under section 6(c)(1) of this Act, (ii) have no earned income and in which all adult members are elderly or disabled members, or (iii) are any other households, other than a migrant household, not required to report monthly or at less frequent intervals under section 6(c)(1) of this Act, may, with the approval of the Secretary, be calculated by a State agency on a prospective basis, as provided in paragraph (3)(A) of this subsection.[42]

(C) Household income for all other housholds shall be calculated on a retrospective basis as provided in paragraph (3)(B).[43]

(3)(A) Calculation of household income on a prospective basis is the calculation of income on the basis of the income reasonably anticipated to be received by the household during the period for which eligibility or benefits are being determined. Such calculation shall be made in accordance with regulations prescribed by the Secretary which shall provide for taking into account both the income reasonably anticipated to be received by the household during the period for which eligibility or benefits are being determined and the income received by the household during the preceding thirty days.

(B) Calculation of household income on a retrospective basis is the calculation of income for the period for which eligibility or benefits are being determined on the basis of income received in a previous period. Such calculation shall be made in accordance with regulations prescribed by the Secretary which may provide for the determination of eligibility on a prospective basis in some or all cases in which benefits are calculated under this paragraph. Such regulations shall provide for supplementing the initial allotments of newly applying households in those cases in which the determination of income under this paragraph causes serious hardship.

(4) In promulgating regulations under this subsection, the Secretary shall consult with the Secretary of Health and Human Services in order to assure that, to the extent feasible and consistent with the purposes of this Act and the Social Security Act, the income of households receiving benefits under this Act and title IV-A of the Social Security Act is calculated on a comparable basis under the two Acts. The Secretary is authorized, upon the request of a State agency, to waive any of the provisions of this subsection (except the provisions of paragraph (2)(A)) to the extent necessary to permit the State agency to calculate income for purposes of this Act on the same basis that income is calculated under title IV-A of the Social Security Act in that State.[44]

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[42] Amended by Public law 98-204, section 4, 97 Stat. 204, Dec. 2, 1983, to add new subparagraph (B) and redesignate former subparagraph (B) as subparagraph (C).

[43] Amended by Public Law 97-35, section 107(b), 95 Stat. 361, Aug. 13, 1981, so that effective October 1, 1983, this subparagraph reads as shown. Public law 98-107, section 101(b), 97 Stat. 733, Oct. 1, 1983, provided that none of the funds appropriated by that or any other Act may be used to implement monthly reporting—retrospective budgeting for the food stamp program during the first three months of fiscal year 1984.

[44] Amended by Public Law 97-35, section 107(a), 95 Stat. 360, Aug. 13, 1981, to delete the language of subsection (f) and replace it with the language shown. Further amended by Public Law

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(g) The Secretary shall prescribe the types and allowable amounts of financial resources (liquid and nonliquid assets) an eligible household may own, and shall, in so doing, assure that a household otherwise eligible to participate in the food stamp program will not be eligible to participate if its resources exceed \$1,500,[45] or, in the case of a household consisting of two or more persons, one of whom is age 60 or over, if its resources exceed \$3,000. The Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles),[46] and shall, in addition, include in financial resources any boats, snowmobiles, and airplanes used for recreational purposes, any vacation homes, any mobile homes used primarily for vacation purposes, any licensed vehicle (other than one used to produce earned income or that is necessary for transportation of a physically disabled household member)[47] used for household transportation or used to obtain or continue employment[48] to the extent that the fair market value of any such vehicle exceeds \$4,500, and, regardless of whether there is a penalty for early withdrawal, any savings or retirement accounts (including individual accounts).

(h)(1) The Secretary shall, after consultation with the official empowered to exercise the authority provided for by section 302(a) of the Disaster Relief Act of 1974, establish temporary emergency standards of eligibility for the duration of the emergency for households who are victims of a disaster which disrupts commercial channels of food distribution, if such households are in need of temporary food assistance and if commercial channels of food distribution have again become available to meet the temporary food needs of such households. Such standards as are prescribed for individual emergencies may be promulgated without regard to section 4(c) of this Act or the procedures set forth in section 553 of title 5 of the United States Code.

(2) The Secretary shall establish a Food Stamp Disaster Task Force, to assist States in implementing and operating the disaster program, which shall be available to go into a disaster area and provide direct assistance to State and local officials.

(i)(1) For purposes of determining eligibility for and the amount of benefits under this Act for an individual who is an alien as described in section 6(f)(2)(B) of this Act, the income and resources of any person who as a sponsor of such individual's entry into the United States executed an affidavit of support or similar agreement with respect to such individual, and the income and resources of the sponsor's spouse if such spouse is living with the sponsor, shall be deemed to be the income and resources of such individual

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97-253, section 150, 96 Stat. 776, Sept. 8, 1982, to add "(except the provisions of paragraph (2)(A))" after "subsection" in paragraph (4).

[45] Amended by Public Law 96-249, section 138, 94 Stat. 370, May 26, 1980, to reflect a reduction in the assets limitation to \$1,500.

[46] Amended by Public Law 97-98, section 1309, 95 Stat. 1284, Dec. 22, 1981, to add the phrase, "(other than those relating to licensed vehicles)". Further amended by Public Law 97-253, sections 151 and 152(a), 96 Stat. 776, Sept. 8, 1982, to delete "1977", substitute "1982", and to delete the language after "\$4,500" and replace it with the language shown.

[47] Amended by Public Law 96-249, section 108(1), 94 Stat. 359, May 26, 1980, to add the clause "or that is necessary for transportation of a physically disabled household member".

[48] Amended by Public Law 96-249, section 108(2), 94 Stat. 359, May 26, 1980, to delete the words "or to transport disabled household members".

for a period of three years after the individual's entry into the United States. Any such income deemed to be income of such individual shall be treated as unearned income of such individual.

(2)(A) The amount of income of a sponsor, and the sponsor's spouse if living with the sponsor, which shall be deemed to be the unearned income of an alien for any year shall be determined as follows:

(i) the total yearly rate of earned and unearned income of such sponsor, and such sponsor's spouse if such spouse is living with the sponsor, shall be determined for such year under rules prescribed by the Secretary;

(ii) the amount determined under clause (i) of this subparagraph shall be reduced by an amount equal to the income eligibility standard as determined under section 5(c) of this Act for a household equal in size to the sponsor, the sponsor's spouse if living with the sponsor, and any persons dependent upon or receiving support from the sponsor or the sponsor's spouse if the spouse is living with the sponsor; and

(iii) the monthly income attributed to such alien shall be one-twelfth of the amount calculated under clause (ii) of this subparagraph.

(B) The amount of resources of a sponsor, and the sponsor's spouse if living with the sponsor, which shall be deemed to be the resources of an alien for any year shall be determined as follows:

(i) the total amount of the resources of such sponsor and such sponsor's spouse if such spouse is living with the sponsor shall be determined under rules prescribed by the Secretary;

(ii) the amount determined under clause (i) of this subparagraph shall be reduced by $1,500; and

(iii) the resources determined under clause (ii) of this subparagraph shall be deemed to be resources of such alien in addition to any resources of such alien.

(C)(i) Any individual who is an alien shall, during the period of three years after entry into the United States, in order to be an eligible individual or eligible spouse for purposes of this Act, be required to provide to the State agency such information and documentation with respect to the alien's sponsor and sponsor's spouse as may be necessary in order for the State agency to make any determination required under this section, and to obtain any cooperation from such sponsor necessary for any such determination. Such alien shall also be required to provide such information and documentation which such alien or the sponsor provided in support of such alien's immigration application as the State agency may request.

(ii) The Secretary shall enter into agreements with the Secretary of State and the Attorney General whereby any information available to such persons and required in order to make any determination under this section will be provided by such persons to the Secretary, and whereby such persons shall inform any sponsor of an alien, at the time such sponsor executes an affidavit of support or similar agreement, of the requirements imposed by this section.

(D) Any sponsor of an alien, and such alien, shall be jointly and severably liable for an amount equal to any overpayment made to such alien during the period of three years after such alien's entry into the United States, on account of such sponsor's failure to provide correct information under the provisions of this section, except where such sponsor was without fault, or where good cause for such failure existed. Any such overpayment which is not repaid shall be recovered in accordance with the provisions of section 13(b)(2) of this Act.

(E) The provisions of this subsection shall not apply with respect to any alien who is a member of the sponsor's household, as defined in section 3(i) of this Act.

(j) Notwithstanding subsections (a) through (i), a State agency may consider a household in which all members of the household receive benefits under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and whose income does not exceed the applicable income standard of eligibility described in subsection (c)(2) to have satisfied the resource limitations prescribed under subsection (g).[49] (7 U.S.C. 2014)

ELIGIBILITY DISQUALIFICATIONS

SEC. 6. (a) In addition to meeting the standards of eligibility prescribed in section 5 of this Act, households and individuals who are members of eligible households must also meet and comply with the specific requirements of this section to be eligible for participation in the food stamp program.

(b)(1) Any person who has been found by any State or Federal court or administrative agency to have intentionally (A) made a false or misleading statement, or misrepresented, concealed or withheld facts, or (B) committed any act that constitutes a violation of this Act, the regulations issued thereunder, or any State statute, for the purpose of using, presenting, transferring, acquiring, receiving, or possessing coupons or authorization cards shall, immediately upon the rendering of such determination, become ineligible for further participation in the program—

(i) for a period of six months upon the first occasion of any such determination;

(ii) for a period of one year upon the second occasion of any such determination; and

(iii) permanently upon the third occasion of any such determination.

During the period of such ineligibility, no household shall receive increased benefits under this Act as the result of a member of such household having been disqualified under this subsection.

(2) Each State agency shall proceed against an individual alleged to have engaged in such activity either by way of administrative hearings, after notice and an opportunity for a hearing at the State level, or by referring such matters to appropriate authorities for civil or criminal action in a court of law.

(3) Such periods of ineligibility as are provided for in paragraph (1) of this subsection shall remain in effect, without possiblity of administrative stay, unless and until the finding upon which the ineligibility is based is subsequently reversed by a court of appropri-

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[49] Amended by Public Law 97-98, section 1308, 95 Stat. 1283, Dec. 22, 1981, to add new subsection (i). Further amended by Public Law 97-253, section 153, 96 Stat. 776, Sept. 8, 1982, to add new subsection (j).

ate jurisdiction, but in no event shall the period of ineligibility be subject to review.

(4) The Secretary shall prescribe such regulations as the Secretary may deem appropriate to ensure that information concerning any such determination with respect to a specific individual is forwarded to the Office of the Secretary by any appropriate State or Federal entity for the use of the Secretary in administering the provisions of this section. No State shall withhold such information from the Secretary or the Secretary's designee for any reason whatsoever.[50]

(c) No household shall be eligible to participate in the food stamp program if it refuses to cooperate in providing information to the State agency that is necessary for making a determination of its eligibility or for completing any subsequent review of its eligibility.

(1) State agencies[51] shall require certain categories of households, including all households with earned income, except migrant farmworker households, all households with potential earners, including individuals receiving unemployment compensation benefits and individuals required by section 6(d) of this Act to register for work, and all households required to file a similar report under title IV-A of the Social Security Act, but not including households that have no earned income and in which all adult members are elderly or disabled members,[52] to file periodic reports of households circumstances in accordance with standards prescribed by the Secretary, except that a State agency may, with the prior approval of the Secretary, select categories of households which may report at specified less frequent intervals upon a showing by the State agency, which is satisfactory to the Secretary, that to require households in such categories to report monthly would result in unwarranted expenditures for administration of this subsection.[53] The Secretary may permit State agencies to accept, as satisfying the requirement that households report at such specified less frequent intervals, (i) recertifications conducted in accordance with section 11(e)(4) of this Act, (ii) in-person interviews conducted during a certification period, (iii) written reports filed by households, or (iv) such other documentation or actions as the Secretary may prescribe.[54] Each household that

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[50] Amended by Public Law 97-35, section 112, 95 Stat. 362, Aug. 13, 1981, to change subsection (b) to read as shown.

[51] Amended by Public Law 97-35, section 108(b)(2), 95 Stat. 361, Aug. 13, 1981, to delete "5(f)(2)" and substitute "5(f)". Further amended by Public Law 97-35, section 108(c), 95 Stat. 361, Aug. 13, 1981, to delete, effective October 1, 1983, the phrase "that elect to use a system of retrospective accounting in accordance with section 5(f) of this Act" that appeared after "State agencies".

[52] Amended by Public Law 97-35, section 108(b)(1), 95 Stat. 361, Aug. 13, 1981, by inserting after "households" in the first sentence of paragraph (1) the language shown. Further amended by Public Law 97-253, sections 154(1) and 145(e), 96 Stat. 774-6, Sept. 8, 1982, to insert "adult" after "which all", and to delete "sixty" and all that follows through "titles I, II, X, XIV, and XVI of the Social Security Act" and substitute "elderly or disabled members".

[53] Amended by Public Law 97-253, section 154(2), 96 Stat. 777, Sept. 8, 1982, to add the language beginning with ", except that a State agency may" in the first sentence of paragraph (1). Further amended by Public Law 97-35, section 108(c), 95 Stat. 361, Aug. 13, 1981, to delete, on October 1, 1983, provisions allowing election by State agencies of accounting procedures and to delete the sentence that read, "Other State agencies, which have received approval of the Secretary, may also require such categories of households to file periodic reports."

[54] Amended by Public Law 98-204, section 5, 97 Stat. 1385-86, Dec. 2, 1983, to add this sentence.

is not required to file such periodic reports on a monthly basis shall be required to report or cause to be reported to the State agency changes in income or household circumstances which the Secretary deems necessary in order to assure accurate eligibility and benefit determinations.[55]

(2) Any household required to file a periodic report under paragraph (1) of this subsection shall, (A) if it is eligible to participate and has filed a timely and complete report, receive its allotment, based on the reported information for a given month, within thirty days of the end of that month unless the Secretary determines that a longer period of time is necessary, (B) have available special procedures that permit the filing of the required information in the event all adult members of the household are mentally or physically handicapped or lacking in reading or writing skills to such a degree as to be unable to fill out the required forms, (C) have a reasonable period of time after the close of the month in which to file their reports on forms approved by the Secretary, and (D) be afforded prompt notice of failure to file any report timely or completely, and given a reasonable opportunity to cure that failure (with any applicable time requirements extended accordingly) and to exercise its rights under section 11(e)(10) of this Act.

(3) Reports required to be filed under paragraph (1) of this subsection shall be considered complete if, in accordance with standards prescribed by the Secretary, they contain sufficient information to enable the State agency to determine household eligibility and allotment levels. All report forms, including those related to periodic reports of circumstances, shall contain a description, in understandable terms in prominent and bold face lettering, of the appropriate civil and criminal provisions dealing with violations of this Act including the prescribed penalties. Reports required to be filed monthly under paragraph (1) shall be the sole reporting requirement for subject matter included in such reports.[56] In promulgating regulations implementing these reporting requirements, the Secretary shall consult with the Secretary of Health and Human Services, and, wherever feasible, households that receive assistance under title IV-A of the Social Security Act and that are required to file comparable reports under that Act shall be provided the opportunity to file reports at the same time for purposes of both Acts.[57]

(4) Any household that fails to submit periodic reports required by paragraph (1) shall not receive an allotment for the payment period to which the unsubmitted report applies until such report is submitted.

(5) The Secretary is authorized, upon the request of a State agency, to waive any provisions of this subsection (except the provisions of the first sentence of paragraph (1) which relate to

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[55] Amended by Public Law 97-253, section 155, 96 Stat. 777, Sept. 8, 1982, to delete "on a form designated or approved by the Secretary".

[56] Amended by Public Law 98-204, section 6, 97 Stat. 1386, Dec. 2, 1983, to strike out the third sentence of the paragraph and insert in lieu thereof sentence shown.

[57] Amended by Public Law 96-249, section 110, 94 Stat. 359-360, May 26, 1980, to delete everything after the first sentence and add paragraphs (1), (2), and (3).

households which are not required to file periodic reports) to the extent necessary to permit the State agency to establish periodic reporting requirements for purposes of this Act which are similar to the periodic reporting requirements established under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in that State.[58]

(d)(1) Unless otherwise exempted by the provisions of paragraph (d)(2) of this subsection, no household shall be eligible for assistance under this Act if it includes a physically and mentally fit person between the ages of eighteen and sixty who (i) refuses at the time of application and once every twelve months[59] thereafter to register for employment in a manner determined by the Secretary; (ii) refuses to fulfill whatever reasonable reporting and inquiry about employment requirements as are prescribed by the Secretary, which may include a requirement that, at the option of the State agency, such reporting and inquiry commence at the time of application; (iii) is head of the household and voluntarily quits any job without good cause: *Provided*, That the period of ineligibility shall be ninety days; or (iv) refuses without good cause (including the lack of adequate child care for children above the age of five and under the age of twelve)[60] to accept an offer of employment at a wage not less than the higher of either the applicable State or Federal minimum wage, or 80 per centum of the wage that would have governed had the minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)), been applicable to the offer of employment, and at a site or plant not then subject to a strike or lockout. An employee of the Federal Government, or of a State or political subdivision of a State, who engaged in a strike against the Federal Government, a State or political subdivision of a State and is dismissed from his job because of his participation in the strike shall be considered to have voluntarily quit such job without good cause.[61]

(2) A person who otherwise would be required to comply with the requirements of paragraph (1) of this subsection shall be exempt from such requirements if he or she is (A) currently subject to and complying with a work registration requirement under title IV of the Social Security Act, as amended (42 U.S.C. 602), or the Federal-State unemployment compensation system, in which case, failure by such person to comply with any work requirement to which such person is subject that is comparable to a requirement of paragraph (1) shall be the same as failure to comply with that requirement of paragraph (1);[62] (B) a parent or other member of a house-

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[58] Amended by Public Law 97-35 section 108(b)(3), 95 Stat. 361, Aug. 13, 1981, to add new paragraph (4). Further amended by Public Law 97-253, section 156, 96 Stat. 777, Sept. 8, 1982, to add new paragraph (5).

[59] Amended by Public Law 97-98, section 1310, 95 Stat. 1284, Dec. 22, 1981, to delete the word "six" and substitute the word "twelve".

[60] Amended by Public Law 97-98, section 1311, 95 Stat. 1285, Dec. 22, 1981, to delete ", unless the household was certified for benefits under this Act immediately prior to such unemployment" in clause (iii) of paragraph (1); and insert "(including the lack of adequate child care for children above the age of five and under the age of twelve)" after "good cause" in clause (iv) of paragraph (1).

[61] Amended by Public Law 96-253, sections 157 and 158, 96 Stat. 777-8, Sept. 8, 1982, to add the language after "Secretary" in clause (ii); change "sixty" to "ninety"; delete "from the time of the voluntary quit" in clause (iii); and add the last sentence to the proviso.

[62] Amended by Public Law 97-98, section 1311, 95 Stat. 1285, Dec. 22, 1981, to insert before the semicolon at the end of clause (A) of paragraph (2) ", in which case, failure by such person to

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hold with responsibility for the care of a dependent child under age six[63] or of an incapacitated person; (C) a bona fide student enrolled at least half time in any recognized school, training program, or institution of higher education (except that any such person enrolled in an institution of higher education shall be ineligible to participate in the food stamp program unless he or she meets the requirements of subsection (e) of this section);[64] (D) a regular participant in a drug addiction or alcoholic treatment and rehabilitation program; or (E) employed a minimum of thirty hours per week or receiving weekly earnings which equal the minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)), multiplied by thirty hours."[65]

(3) Notwithstanding any other provision of law, a household shall not participate in the food stamp program at any time that any member of such household, not exempt from the work registration requirements of paragraph (1) of this subsection, is on strike as defined in section 501(2) of the Labor Management Relations Act, 1947, because of a labor dispute (other than a lockout) as defined in section 2(9) of the National Labor Relations Act: *Provided*, That a household shall not lose its eligibility to participate in the food stamp program as a result of one of its members going on strike if the household was eligible for food stamps immediately prior to such strike, however, such household shall not receive an increased allotment as the result of a decrease in the income of the striking member or members of the household: *Provided further*, That such ineligibility shall not apply to any household that does not contain a member on strike, if any of its members refuses to accept employment at a plant or site because of a strike or lockout.[66]

(e) No individual who is a member of a household otherwise eligible to participate in the food stamp program under this section shall be eligible to participate in the food stamp program as a member of that or any other household if he or she (1) is physically and mentally fit and is between the ages of eighteen and sixty, (2) is enrolled at least half time in an institution of higher education, and (3)(A) is not employed a minimum of twenty hours per week or does not participate in a federally financed work study program during the regular school year; (B) is not a parent with responsibility for the care of a dependent child under age six; (C) is not a parent with responsibility for the care of a dependent child above the age of five and under the age of twelve for whom adequate

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comply with any work requirement to which such person is subject that is comparable to a requirement of paragraph (1) shall be the same as failure to comply with that requirement of paragraph (1).”

[63] Amended by Public Law 97-98, section 1311, 95 Stat. 1285, Dec. 22, 1981, to substitute "six" for "twelve".

[64] Amended by Public Law 96-249, section 140, 94 Stat. 370, May 26, 1980, to require persons enrolled in institutions of higher education to meet the requirements of subsection (e).

[65] Amended by Public Law 97-253, sections 159 and 190(a), 96 Stat. 778 and 787, Sept. 8, 1982, to delete clause (C) of paragraph (2) and redesignate clauses (D) through (F) as clauses (C) through (E).

[66] Amended by Public Law 96-249, section 114, 94 Stat. 361, May 26, 1980, to add paragraph (4). Further amended by Public Law 97-35, section 109(a), 95 Stat. 361, Aug. 13, 1981, to insert before the colon at the end of the first proviso the following: ", however, such household shall not receive an increased allotment as the result of a decrease in the income of the striking member or members of the household"; to insert a period in lieu of the colon at the end of the second proviso; to strike out the third proviso; and to repeal section 6(i). Further amended by Public Law 97-253, sections 160 and 190(b), 96 Stat. 778 and 787, Sept. 8, 1982, to repeal paragraph (3) and to redesignate paragraph (4) as paragraph (3).

child care is not available; (D) is not receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or (E) is not so enrolled as a result of participation in the work incentive program under title IV of the Social Security Act, as amended (42 U.S.C. 602).[67]

(f) No individual who is a member of a household otherwise eligible to participate in the food stamp program under this section shall be eligible to participate in the food stamp program as a member of that or any other household unless he or she is (1) a resident of the United States and (2) either (A) a citizen or (B) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15) and 8 U.S.C. 1101(a)(20)), excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country; or (C) an alien who entered the United States prior to June 30, 1948, or such subsequent date as is enacted by law, has continuously maintained his or her residence in the United States since then, and is not ineligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General pursuant to section 249 of the Immigration and Nationality Act (8 U.S.C. 1259); or (D) an alien who has qualified for conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity; or (E) an alien who is lawfully present in the United States as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest pursuant to section 212(d)(5) of the Immigration and Nationality Act (8 U.S.C. 1182(d)(5)); or (F) an alien within the United States as to whom the Attorney General has withheld deportation pursuant to section 243 of the Immigration and Nationality Act (8 U.S.C. 1253(h)) because of the judgment of the Attorney General that the alien would otherwise be subject to persecution on account of race, religion, or political opinion. No aliens other than the ones specifically described in clauses (B) through (F) of this subsection shall be eligible to participate in the food stamp program as a member of any household. The income (less a pro rata share) and financial resources of the individual rendered ineligible to participate in the food stamp program under this subsection shall be considered in determining the eligibility and the value of the allotment of the household of which such individual is a member.[68]

(g) No individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, as amended, shall be considered to be a member of a household for any month, if, for such month, such individual resides in a State which provides State supplementary payments (1) of the type described in section 1616(a) of the Social Security Act and section 212(a) of Public Law 93–66, and (2) the level of which has been found by the Secretary of Health and Human Services to have been specifically increased so as to include the bonus value of food stamps.

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[67] Amended by Public Law 96-249, section 139, 94 Stat. 370, May 26, 1980, to replace everything following "(1)" with the language shown. Further amended by Public Law 97-253, section 161, 96 Stat. 778, Sept. 8, 1982, to add new clauses (B), (C), and (D) and to redesignate the former clause (C) as clause (E).

[68] Amended by Public Law 96-249, section 115, 94 Stat. 361, May 26, 1980, to add the last sentence.

(h) No household that knowingly transfers assets for the purpose of qualifying or attempting to qualify for the food stamp program shall be eligible to participate in the program for a period of up to one year from the date of discovery of the transfer. (7 U.S.C. 2015)

ISSUANCE AND USE OF COUPONS

SEC. 7. (a) Coupons shall be printed under such arrangements and in such denominations as may be determined by the Secretary to be necessary, and shall be issued only to households which have been duly certified as eligible to participate in the food stamp program.

(b) Coupons issued to eligible households shall be used by them only to purchase food in retail food stores which have been approved for participation in the food stamp program at prices prevailing in such stores: *Provided*, That nothing in this Act shall be construed as authorizing the Secretary to specify the prices at which food may be sold by wholesale food concerns or retail food stores: *Provided further*, That eligible households using coupons to purchase food may receive cash in change therefor so long as the cash received does not equal or exceed the value of the lowest coupon denomination issued.

(c) Coupons issued to eligible households shall be simple in design and shall include only such words or illustrations as are required to explain their purpose and define their denomination. The name of any public official shall not appear on such coupons.

(d) The Secretary shall develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of coupon issuers for the purpose of providing that such inventories are at proper levels (taking into consideration the historical and projected volume of coupon distribution by such issuers). Such procedures shall provide that coupon inventories in the hands of such issuers are not in excess of the reasonable needs of such issuers taking into consideration the ease with which such coupon inventories may be resupplied. The Secretary shall require each coupon issuer at intervals prescribed by the Secretary, but not less often than monthly, to send to the Secretary or the Secretary's designee, which may include the State agency, a written report of the issuer's operations during such period. In addition to other information deemed by the Secretary to be appropriate, the Secretary shall require that the report contain an oath, or affirmation, signed by the coupon issuer, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon issuer, certifying that the information contained in the report is true and correct to the best of such person's knowledge and belief.

(e) The Secretary shall prescribe appropriate procedures for the delivery of coupons to coupon issuers and for the subsequent controls to be placed over such coupons by coupon issuers in order to ensure adequate accountability.

(f) Notwithstanding any other provision of this Act, the State agency shall be strictly liable to the Secretary for any financial losses involved in the acceptance, storage and issuance of coupons, including any losses involving failure of a coupon issuer to comply with the requirements specified in section 11(e)(20), except that in the case of losses resulting from the issuance and replacement of authorizations for coupons and allotments which are sent through the mail, the State agency shall be liable to the Secretary to the extent prescribed in the regulations promulgated by the Secretary.[69]

(g)(1) If the Secretary determines, in consultation with the Inspector General of the Department of Agriculture, that it would improve the integrity of the food stamp program, the Secretary may require a State agency—

(A) to issue or deliver coupons using alternative methods, including an automatic data processing and information retrieval system; or

(B) to issue, in lieu of coupons, reusable documents to be used as part of an automatic data processing and information retrieval system and to be presented by, and returned to, recipients at retail food stores for the purpose of purchasing food.

(2) The cost of documents or systems that may be required pursuant to this subsection may not be imposed upon a retail food store participating in the food stamp program.[70] (7 U.S.C. 2016)

VALUE OF ALLOTMENT

SEC. 8. (a) The value of the allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be equal to the cost to such households of the thrifty food plan reduced by an amount equal to 30 per centum of the household's income, as determined in accordance with section 5 (d) and (e) of this Act, rounded to the nearest lower whole dollar: *Provided*, That for households of one and two persons the minimum allotment shall be $10 per month.[71]

(b) The value of the allotment provided any eligible household shall not be considered income or resources for any purpose under any Federal, State, or local laws, including, but not limited to, laws relating to taxation, welfare, and public assistance programs, and no participating State or political subdivision thereof shall decrease any assistance otherwise provided an individual or individuals because of the receipt of an allotment under this Act.

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[69] Amended by Public Law 97-98, section 1312, 95 Stat. 1285, Dec. 22, 1981, to read as shown, thereby establishing strict liability in the State agency for specified financial losses. Further amended by Public Law 97-253, section 190(c)(2), 96 Stat. 787, Sept. 8, 1982, to change the reference to "section 11(e)(21)" to "section 11(e)(20)".

[70] Amended by Public Law 97-253, section 162, 96 Stat. 778, Sept. 8, 1982, to add new subsection (g).

[71] Amended by Public Law 97-35, section 104(b), 95 Stat. 361, August 13, 1981, to add "(d) and (e)". Further amended by Public Law 97-253, section 143(c), 96 Stat. 778, Sept. 8, 1982, to insert "lower" after "nearest," and by section 152(b), 96 Stat. 776, to delete the second sentence of the proviso.

(c) The value of the allotment issued to any eligible household for the initial month or other initial period for which an allotment is issued shall have a value which bears the same ratio to the value of the allotment for a full month or other initial period for which the allotment is issued as the number of days (from the date of application) remaining in the month or other initial period for which the allotment is issued bears to the total number of days in the month or other initial period for which the allotment is issued, except that no allotment may be issued to a household for the initial month or period if the value of the allotment which such household would otherwise be eligible to receive under this subsection is less than $10. As used in this subsection, the term "initial month" means (1) the first month for which an allotment is issued to a household, and (2) the first month for which an allotment is issued to a household following any period which such household was not participating in the food stamp program under this Act after previous participation in such program.[72]

(d) A household against which a penalty has been imposed for an intentional failure to comply with a Federal, State, or local law relating to welfare or a public assistance program may not, for the duration of the penalty, receive an increased allotment as the result of a decrease in the household's income (as determined under section 5(d) and 5(e)) to the extent that the decrease is the result of such penalty.[73] (7 U.S.C. 2017)

APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS

SEC. 9. (a) Regulations issued pursuant to this Act shall provide for the submission of applications for approval by retail food stores and wholesale food concerns which desire to be authorized to accept and redeem coupons under the food stamp program and for the approval of those applicants whose participation will effectuate the purposes of the food stamp program. In determining the qualifications of applicants, there shall be considered among such other factors as may be appropriate, the following: (1) the nature and extent of the food business conducted by the applicant; (2) the volume of coupon business which may reasonably be expected to be conducted by the applicant food store or wholesale food concern; and (3) the business integrity and reputation of the applicant. Approval of an applicant shall be evidenced by the issuance to such applicant of a nontransferable certificate of approval.

(b) No wholesale food concern may be authorized to accept and redeem coupons unless the Secretary determines that its participation is required for the effective and efficient operation of the food stamp program. In addition, no firm may be authorized to accept and redeem coupons as both a retail food store and as a wholesale food concern at the same time.

(c) Regulations issued pursuant to this Act shall require an applicant retail food store or wholesale food concern to submit information which will permit a determination to be made as to whether such applicant qualifies, or continues to qualify, for approval under the provisions of this Act or the regulations issued pursuant to this Act. Regulations issued pursuant to this Act shall provide for safeguards which limit the use or disclosure of information obtained under the authority granted by this subsection to purposes directly connected with administration and enforcement of the provisions of this Act or the regulations issued pursuant to this Act. Such purposes shall not exclude the audit and examination of such information by the Comptroller General of the United States authorized by any other provision of law.[74]

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[72] Amended by Public Law 97-35, section 110, 95 Stat. 362, Aug. 13, 1981, to add new subsection (c). Further amended by Public Law 97-253, section 163, 96 Stat. 778, Sept. 8, 1982, to add the language after the comma in the first sentence of subsection (c) and delete "of more than thirty days" in the second sentence.

[73] Amended by Public Law 97-253, section 164, 96 Stat. 778-9, Sept. 8, 1982, to add new subsection (d).

(d) Any retail food store or wholesale food concern which has failed upon application to receive approval to participate in the food stamp program may obtain a hearing on such refusal as provided in section 14 of this Act.

(e) Approved retail food stores shall display a sign providing information on how persons may report abuses they have observed in the operation of the food stamp program.

(f) In those areas in which the Secretary, in consultation with the Inspector General of the Department of Agriculture, finds evidence that the operation of house-to-house trade routes damages the program's integrity, the Secretary shall limit the participation of house-to-house trade routes to those routes that are reasonably necessary to provide adequate access to households.[75] (7 U.S.C. 2018)

REDEMPTION OF COUPONS

SEC. 10. Regulations issued pursuant to this Act shall provide for the redemption of coupons accepted by retail food stores through approved wholesale food concerns or through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation,[76] with the cooperation of the Treasury Department, except that retail food stores defined in section 3(k)(4) of this Act shall be authorized to redeem their members' food coupons prior to receipt by the members of the food so purchased, and private nonprofit organizations or institutions which serve meals to narcotics addicts or alcoholics in drug addiction or alcoholic treatment and rehabilitation programs, public and private nonprofit shelters that prepare and serve meals for battered women and children,[77] and public or private nonprofit group living arrangements that serve meals to disabled or blind residents [78] shall not be authorized to redeem coupons through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.[79] (7 U.S.C. 2019)

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[74] Amended by Public Law 97-98, section 1313, 95 Stat. 1285, Dec. 22, 1981, to add the final sentence.

[75] Amended by Public Law 97-98, section 1314, 95 Stat. 1285, Dec. 22, 1981, to add new subsection (e). Further amended by Public Law 97-253, section 165, 96 Stat. 779, Sept. 8, 1982, to add new subsection (f).

[76] Amended by Public Law 97-98, section 1315, 95 Stat. 1285, Dec. 22, 1981, to substitute the phrase, "financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation" wherever the term "banks" appeared.

[77] Amended by Public Law 96-249, section 101(b), 94 Stat. 357, May 26, 1980, to include shelters for battered women and children, to add a comma after "purchased", and to delete a comma after "residents".

[78] Amended by Public Law 96-58, section 8, 93 Stat. 392, Aug. 14, 1979, to add the clause referring to nonprofit group living arrangements. (See footnote 76 for implementation instructions.)

ADMINISTRATION

SEC. 11. (a) The State agency of each participating State shall assume responsibility for the certification of applicant households and for the issuance of coupons and the control and accountability thereof. There shall be kept such records as may be necessary to ascertain whether the program is being conducted in compliance with the provisions of this Act and the regulations issued pursuant to this Act. Such records shall be available for inspection and audit at any reasonable time and shall be preserved for such period of time, not less than three years, as may be specified in the regulations issued pursuant to this Act.

(b)[80]

(c) In the certification of applicant households for the food stamp program, there shall be no discrimination by reason of race, sex, religious creed, national origin, or political beliefs.

(d) The State agency (as defined in section 3(n)(1) of this Act) of each State desiring to participate in the food stamp program shall submit for approval a plan of operation specifying the manner in which such program will be conducted within the State in every political subdivision. The Secretary may not, as a part of the approval process for a plan of operation, require a State to submit for prior approval by the Secretary the State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the State agency, or any materials, documents, memoranda, bulletins, or other matter, unless the State determines that the materials, documents, memoranda, bulletins, or other matter alter or amend the State plan of operation or conflict with the rights and levels of benefits to which a household is entitled.[81] In the case of all or part of an Indian reservation, the State agency as defined in section 3(n)(1) of this Act shall be responsible for conducting such program on such reservation unless the Secretary determines that the State agency (as defined in section 3(n)(1) of this Act) is failing, subsequent to the enactment of this Act, properly to administer such program on such reservation in accordance with the purposes of this Act and further determines that the State agency as defined in section 3(n)(2) of this Act is capable of effectively and efficiently conducting such program, in light of the distance of the reservation from State agency-operated certification and issuance centers, the previous experience of such tribal organization in the operation of programs authorized under the Indian Self-Determination Act (25 U.S.C. 450) and similar Acts of Congress, the tribal organization's management and fiscal capabilities, and the adequacy of measures taken by the tribal organization to insure that there shall be no discrimination in the operation of the program on the basis of race, color, sex, or national origin, in which event such State agency shall be responsible for conducting such program and submitting for approval a plan of operation specifying the manner in which such program will be conducted. The Secretary, upon the request of a tribal organization, shall provide the designees of such organization with appropriate training and technical assistance to enable them to qualify as expeditiously as possible as a State agency pursuant to section 3(n)(2) of this Act. A State agency, as defined in section 3(n)(1) of this Act, before it submits its plan of operation to the Secretary for the administration of the food stamp program on all or part of an Indian reservation, shall consult in good faith with the tribal organization about that portion of the State's plan of operation pertaining to the implementation of the program for members of the tribe, and shall implement the program in a manner that is responsive to the needs of the Indians on the reservation as determined by ongoing consultation with the tribal organization.

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[79] Public Law 97-98, section 1315, *supra* footnote 69.

[80] Amended by Public Law 97-98, section 1316, 95 Stat. 1286, Dec. 22, 1981, to delete subsection (b).

[81] Amended by Public Law 97-253, section 166, 96 Stat. 779, Sept. 8, 1982, to add a new sentence after the first sentence.

(e) The State plan of operation required under subsection (d) of this section shall provide, among such other provisions as may be required by regulation—

(1) that the State agency shall (A) not conduct food stamp outreach activities with funds provided under this Act;[82] and (B) use appropriate bilingual personnel and printed material in the administration of the program in those portions of political subdivisions in the State in which a substantial number of members of low-income households speak a language other than English;

(2) that each household which contacts a food stamp office in person during office hours to make what may reasonably be interpreted as an oral or written request for food stamp assistance shall receive and shall be permitted to file, on the same day that such contact is first made, a simplified, uniform national application form for participation in the food stamp program designed by the Secretary, unless the Secretary approves a deviation from that form by a particular State agency because of the use by that agency of a dual public assistance food stamp application form pursuant to subsection (i) of this section, the requirements of an agency's computer system, or other exigencies as determined by the Secretary. Each application form shall contain a description in understandable terms in prominent and boldface lettering of the appropriate civil and criminal provisions dealing with violations of this Act, including the penalties therefor, by members of an eligible household. Each application shall also contain in understandable terms and in prominent and boldface lettering a statement that the information provided by the applicant in connection with the application for a coupon allotment will be subject to verification by Federal, State, and local officials to determine if such information is factual and that if any material part of such information is incorrect, food stamps may be

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[82] Amended by Public Law 97-35, section 111(a), 95 Stat. 362, Aug. 13, 1981, to delete clauses (A) and (B); redesignate existing clause (C) as (B); and insert the following new clause (A): "(A) not conduct food stamp outreach activities with funds provided under this Act;".

denied to the applicant, and that the applicant may be subjected to criminal prosecution for knowingly providing incorrect information.[83] The State agency shall comply with the standards established by the Secretary for[84] telephone contact by, mail delivery of forms to and mail return of forms by, and subsequent home or telephone interview with, the elderly, physically or mentally handicapped, and persons otherwise unable, solely because of transportation difficulties and similar hardships, to appear in person at a certification office or through a representative pursuant to paragraph (7) of this subsection, so that such persons may have an adequate opportunity to be certified properly;

(3) that the State agency shall thereafter promptly determine the eligibility of each applicant household by way of verification only of income other than that determined to be excluded by section 5(d) of this Act (in part through the use of the information, if any, obtained under section 16(e) of this Act)[85] and such other eligibility factors as the Secretary determines to be necessary to implement sections 5 and 6 of this Act, although the State agency may verify prior to certification, whether questionable or not, the size of any applicant household and any factors of eligibility involving households that fall within the State agency's error-prone household profiles as developed by the State agency from the error rate reduction system conducted under section 16 of this Act and as approved by the Secretary,[86] so as to complete certification of and provide an allotment retroactive to the period of application to any eligible household not later than thirty days following its filing of an application;

(4) that the State agency shall insure that each participating household receive a notice of expiration of its certification[87] prior to the start of the last month of its certification period advising the household[88] that it must submit a new application in order to renew its eligibility for a new certification period and, further, that each such household which seeks to be certified another time or more times thereafter by filing an application for such recertification no later than fifteen days prior to the day upon which its existing certification period expires shall, if found to be still eligible, receive its allotment no later than one month after the receipt of the last allotment issued to it pursuant to its prior certification, but if such household is found to be ineligible or to be eligible for a small-

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[83] Amended by Public Law 97-98, section 1317, 95 Stat. 779, Sept. 8, 1982, to add the sentence shown.

[84] Amended by Public Law 97-253, section 167(a), 96 Stat. 779, Sept. 8, 1982, to delete the "points and hours" requirement.

[85] Amended by Public Law 96-249, section 116(1), 94 Stat. 362, May 26, 1980, to add the parenthetical clause. Further amended by Public Law 97-253, section 180(b)(1)(A), 96 Stat. 783, Sept. 8, 1982, to delete "subsections (h) and (i) of section 16" and substitute "section 16(e)".

[86] Amended by Public Law 96-249, section 116(2), 94 Stat. 362, May 26, 1980, to add the language following "sections 5 and 6 of this Act" and preceding "so as to complete . . .". Further amended by Public Law 97-253, section 180(b)(1)(A), 96 Stat. 783, Sept. 8, 1982, to delete "subsections (h) and (i) of section 16" and substitute "section 16(e)".

[87] Amended by Public Law 97-98, section 1318, 95 Stat. 1286, Dec. 22, 1981, to insert "prior to" in lieu of "immediately prior to or at".

[88] Amended by Public Law 97-98, section 1318, 95 Stat. 1286, Dec. 22, 1981, to insert "the household" in lieu of "it".

er allotment during the new certification period it shall not continue to participate and receive benefits on the basis authorized for the preceding certification period even if it makes a timely request for a fair hearing pursuant to paragraph (10) of this subsection: *Provided*, That the timeliness standards for submitting the notice of expiration and filing an application for recertification may be modified by the Secretary in light of sections 5(f)(2) and 6(c) of this Act if administratively necessary;[89]

(5) the specific standards to be used in determining the eligibility of applicant households which shall be in accordance with sections 5 and 6 of this Act and shall include no additional requirements imposed by the State agency;

(6) that (A) the State agency shall undertake the certification of applicant households in accordance with the general procedures prescribed by the Secretary in the regulations issued pursuant to this Act; (B) the State agency personnel utilized in undertaking such certification shall be employed in accordance with the current standards for a Merit System of Personnel Administration or any standards later prescribed by the United States Civil Service Commission pursuant to section 208 of the Intergovernmental Personnel Act of 1970 modifying or superseding such standards relating to the establishment and maintenance of personnel standards on a merit basis; and (C) the State agency shall undertake to provide a continuing, comprehensive program of training for all personnel undertaking such certification;

(7) that an applicant household may be represented in the certification process and that an eligible household may be represented in coupon issuance of food purchase by a person other than a member of the household so long as that person has been clearly designated as the representative of that household for that purpose, by the head of the household or the spouse of the head, and, where the certification process is concerned, the representative is an adult who is sufficiently aware of relevant household circumstances, except that the Secretary may restrict the number of households which may be represented by an individual and otherwise establish criteria and verification standards for representation under this paragraph;[90]

(8) safeguards which limit the use or disclosure of information obtained from applicant households to persons directly connected with the administration or enforcement of the provisions of this Act, regulations issued pursuant to this Act, Federal assistance programs, or federally assisted State programs,[91] except that (A) such safeguards shall not prevent the use or disclosure of such information to the Comptroller General of the United States for audit and examination authorized by any other provision of law, and (B) notwithstanding any other provision of law, all information obtained under this Act

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[89] Amended by Public Law 96-249, section 113, 94 Stat. 361, May 26, 1980, to add the proviso.

[90] Amended by Public Law 97-253, section 168, 96 Stat. 779, Sept. 8, 1982, to replace "any" with "an" and add the language after the final comma in paragraph (7).

[91] Amended by Public Law 97-253, section 169, 96 Stat. 779, Sept. 8, 1982, to delete "or the regulations issued pursuant to this Act" and replace phrase with the language shown.

from an applicant household shall be made available, upon request, to local, State or Federal law enforcement officials for the purpose of investigating an alleged violation of this Act or any regulation issued under this Act;[92]

(9) that the State agency shall—

(A) provide coupons no later than five days after the date of application to any household which—

(i)(I) has gross income that is less than $150 per month; or

(II) is a destitute migrant or a seasonal farmworker household in accordance with the regulations governing such households in effect July 1, 1982; and

(ii) has liquid resources that do not exceed $100; and

(B) to the extent practicable, verify the income and liquid resources of the household prior to issuance of coupons to the household;[93]

(10) for the granting of a fair hearing and a prompt determination thereafter to any household aggrieved by the action of the State agency under any provision of its plan of operation as it affects the participation of such household in the food stamp program or by a claim against the household for an overissuance: *Provided,* That any household which timely requests such a fair hearing after receiving individual notice of agency action reducing or terminating its benefits within the household's certification period shall continue to participate and receive benefits on the basis authorized immediately prior to the notice of adverse action until such time as the fair hearing is completed and an adverse decision rendered or until such time as the household's certification period terminates, whichever occurs earlier, except that in any case in which the State agency receives from the household a written statement containing information that clearly requires a reduction or termination of the household's benefits, the State agency may act immediately to reduce or terminate the household's benefits and may provide notice of its action to the household as late as the date on which the action becomes effective;[94]

(11) upon receipt of a request from a household, for the prompt restoration in the form of coupons to a household of any allotment or portion thereof which has been wrongfully denied or terminated, except that allotments shall not be restored for any period of time more than one year prior to the date the State agency receives a request for such restoration from a household or the State agency is notified or otherwise discovers that a loss to a household has occurred;[95]

(12) for the submission of such reports and other information as from time to time may be required by the Secretary;

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[92] Amended by Public Law 97-98, section 1319, 95 Stat. 1286, Dec. 22, 1981, to add the language beginning with "except that . . ." and continuing, as shown, to the semicolon.

[93] Amended by Public Law 97-253, section 170, 96 Stat. 780, Sept. 8, 1982, to add new paragraph (9).

[94] Amended by Public Law 97-253, section 171, 96 Stat. 780, Sept. 8, 1982, to add the language after the final comma in the proviso.

[95] Amended by Public Law 97-98, section 1320(a), 95 Stat. 1286, Dec. 22, 1981, to change section 11(e)(11) to read as shown.

(13)[96] for indicators of expected performance in the administration of the program;

(14) that the State agency shall prominently display in all food stamp and public assistance offices posters prepared or obtained by the Secretary describing the information contained in subparagraphs (A) through (D) of this paragraph and shall make available in such offices for home use pamphlets prepared or obtained by the Secretary listing (A) foods that contain substantial amounts of recommended daily allowances of vitamins, minerals, and protein for children and adults; (B) menus that combine such foods into meals; (C) details on eligibility for other programs administered by the Secretary that provide nutrition benefits; and (D) general information on the relationship between health and diet;

(15) that the State agency shall specify a plan of operation for providing food stamps for households that are victims of a disaster; that such plan shall include, but not be limited to, procedures for informing the public about the disaster program and how to apply for its benefits, coordination with Federal and private disaster relief agencies and local government officials, application procedures to reduce hardship and inconvenience and deter fraud, and instruction of caseworkers in procedures for implementing and operating the disaster program;

(16) that the State agency shall require each household certified as eligible to participate by methods other than the out-of-office methods specified in the last sentence of paragraph (2) of this subsection in those project areas or parts of project areas in which the Secretary, in consultation with the Department's Inspector General, finds that it would be useful to protect the program's integrity, to present a photographic identification card when using its authorization card in order to receive its coupons;

(17) notwithstanding paragraph (8) of this subsection, for the immediate reporting to the Immigration and Naturalization Service by the State agency of a determination by personnel responsible for the certification or recertification of households that any member of a household is ineligible to receive food stamps because that member is present in the United States in violation of the Immigration and Nationality act;[97]

(18) at the option of the State agency, for the establishment and operation of an automatic data processing and information retrieval system that meets such conditions as the Secretary may prescribe and that is designed to provide efficient and effective administration of the food stamp program;[98]

(19) that—

(A) in any case in which information is available from agencies administering State unemployment compensation laws under section 303(d) of the Social Security Act (42 U.S.C. 503(d)), the information shall be requested and utilized by the State agency to the extent permitted under such section; or

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[96] Amended by Public Law 97-253, sections 167(b) and 190(c)(1), 96 Stat. 779 and 787, Sept. 8, 1982, to delete paragraph (13) and to redesignate paragraphs (14) through (22) accordingly.

[97] Amended by Public Law 97-98, section 1321(1), 95 Stat. 1287, Dec. 22, 1981, to delete the word "and" at the end of the paragraph.

[98] Amended by Public Law 96-249, sections 117, 118 and 119, 94 Stat. 362, May 26, 1980, to add paragraphs (17), (18), and (19), and by Public Law 97-98, section 1321(2), 95 Stat. 1286, Dec. 22, 1981, to delete the period at the end of paragraph (19) and substitute a semicolon therefor.

(E) in any case in which information is not available from agencies administering State unemployment compensation laws under section 303(d) of the Social Security Act—

(i) information available from the Social Security Administration under section 6103(l)(7) of the Internal Revenue Code of 1954 shall be requested and utilized by the State agency to the extent permitted under such section; or

(ii) similar information available from other sources shall be requested and utilized by the State agency to the extent approved by the Secretary and permitted by any law controlling access to the information;[99]

(20) that, in project areas or parts thereof where authorization cards are used, and eligible households are required to present photographic identification cards in order to receive their coupons, the State agency shall include, in any agreement or contract with a coupon issuer, a provision that (A) the issuer shall (i) require the presenter to furnish a photographic identification card at the time the authorization card is presented, and (ii) record on the authorization card the identification number shown on the photographic identification card; and (B) if the State agency determines that the authorization card has been stolen or otherwise was not received by a household certified as eligible, the issuer shall be liable to the State agency for the face value of any coupons issued in the transaction in which such card is used and the issuer fails to comply with the requirements of clause (A) of this paragraph; and

(21) that the State agency shall establish a system and take action on a periodic basis to verify and otherwise assure that an individual does not receive coupons in more than one jurisdiction within the State.[100]

(f) To encourage the purchase of nutritious foods, the Secretary is authorized to extend food and nutrition education to reach food stamp program participants, using the methods and techniques developed in the expanded food and nutrition education and other programs.[101]

(g) If the Secretary determines, upon information received by the Secretary, investigation initiated by the Secretary, or investigation that the Secretary shall initiate upon receiving sufficient information evidencing a pattern of lack of compliance by a State agency of a type specified in this subsection,[102] that in the administration of the food stamp program there is a failure by a State agency without good cause[103] to comply with any of the provisions of this Act, the regulations issued pursuant to this Act, the State plan of operation submitted pursuant to subsection (d) of this section, or the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) of this Act,[104] the Secretary shall immediately inform such State agency of such failure and shall allow the State agency a specified period of time for the correction of such failure. If the State agency does not correct such failure within that specified period, the Secretary may refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance forthwith by the State agency and, upon suit by the Attorney General in an appropriate district court of the United States having jurisdiction of the geographic area in which the State agency is located and a showing that noncompliance has occurred, appropriate injunctive relief shall issue, and, whether or not the Secretary refers such matter to the Attorney General, the Secretary shall proceed to withhold from the State such funds authorized under sections 16(a) and 16(c) of this Act as the Secretary determines to be appropriate, subject to administrative and judicial review under section 14 of this Act.[105]

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[99] Amended by Public Law 98-204, section 7, 97 Stat. 1386, Dec. 2, 1983, to amend paragraph (19) to read as shown.

[100] Amended by Public Law 97-98, section 1321(3), 95 Stat. 1287, Dec. 22, 1981, to add new paragraphs (20) and (21). Further amended by Public Law 97-253, sections 172 and 190, 96 Stat. 780 and 787, Sept. 8, 1982, to add new paragraph (22) and redesignate paragraphs (14) through (22) as paragraphs (13) through (21).

[101] Amended by Public Law 95-98, section 1322, 95 Stat. 1287, Dec. 22, 1981, to change subsection (f) to read as shown.

(h) If the Secretary determines that there has been negligence or fraud on the part of the State agency in the certification of applicant households, the State shall, upon request of the Secretary, deposit into the Treasury of the United States, a sum equal to the face value of any coupon or coupons issued as a result of such negligence or fraud.

(i) Notwithstanding any other provision of law, the Secretary and the Secretary of Health and Human Services shall develop a system by which (1) a single interview shall be conducted to determine eligibility for the food stamp program and the aid to families with dependent children program under part A of title IV of the Social Security Act; (2) households in which all members are recipients of supplemental security income shall be permitted to apply for participation in the food stamp program by executing a simple application at[106] the social security office and be certified for eligibility utilizing information contained in files of the Social Security Administration; (3) households in which all members are included in a federally aided public assistance or State or local general assistance grant shall have their application for participation in the food stamp program contained in the public assistance or general assistance application form; and (4) new applicants, as well as households which have recently lost or been denied eligibility for public assistance or general assistance, shall be certified for participation in the food stamp program based on information in the public assistance or general assistance case file to the extent that reasonably verified information is available in such case file. Each State agency shall implement clauses (1) and (2) and may implement clause (3) or (4), or both such clauses.[107]

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[102] Amended by Public Law 96-249, section 120(1), 94 Stat. 362-363, May 26, 1980, to reflect the factors the Secretary may rely on in reaching a determination of State agency noncompliance.

[103] Amended by Public Law 96-249, section 120(2), 94 Stat. 363, May 26, 1980, to add the words "without good cause".

[104] Amended by Public Law 96-249, section 120(4), 94 Stat. 363, May 26, 1980, to add "or the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) of this Act".

[105] Amended by Public Law 96-249, section 120(5), 94 Stat. 363, May 26, 1980, to add the language beginning ", and whether or not".

[106] Amended by Public Law 96-249, section 122, 94 Stat. 363, May 26, 1980, to change "simplified affidavit" to "simple application".

(j) The Secretary, in conjunction with the Secretary of Health and Human Services, is authorized to prescribe regulations permitting applicants for and recipients of social security benefits to apply for food stamps at social security offices and be certified for food stamp eligibility in such offices in order that the application and certification for food stamp assistance may be accomplished as efficiently and conveniently as possible.

(k) Subject to the approval of the President, post offices in all or part of the State may issue, upon request by the State agency, food stamps to eligible households.

(l) Whenever the ratio of a State's average food stamp participation in any quarter of a fiscal year to the State's total population in that quarter (estimated on the basis of the latest available population estimates as provided by the Department of Commerce, Bureau of the Census, Series P-25, Current Population Reports (or its successor series)) exceeds 60 per centum, the Office of the Inspector General of the Department of Agriculture shall immediately schedule a financial audit review of a sample of project areas within that State, and shall, upon completion of the audit, provide a report to Congress of its findings and recommendations within one hundred and eighty days. Any financial audit review subsequent to the first such review, required under the preceding sentence, shall be conducted at the option of the Office of the Inspector General.[108]

(m) The Secretary shall provide for the use of fee agents in rural Alaska. As used in this subsection "fee agent" means a paid agent who, although not a State employee, is authorized by the State to make applications available to low-income households, assist in the completion of applications, conduct required interviews, secure required verification, forward completed applications and supporting documentation to the State agency, and provide other services as required by the State agency. Such services shall not include making final decisions on household eligibility or benefit levels.

(n) The Secretary shall require State agencies to conduct verification and implement other measures where necessary, but no less often than annually, to assure that an individual does not receive both coupons and benefits or payments referred to in section 6(g) or both coupons and assistance provided in lieu of coupons under section 17(b)(1).[109] (7 U.S.C. 2020)

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[107] Amended by Public Law 97-253, section 173, 96 Stat. 780, Sept. 8, 1982, to add the last sentence.

[108] Amended by Public Law 97-249, section 123, 94 Stat. 363, May 26, 1980, to add subsection (l).

[109] Amended by Public Law 97-98, section 1323, 95 Stat. 1287, Dec. 22, 1981, to add new subsection (m). Further amended by Public Law 97-253, section 174, 96 Stat. 780, Sept. 8, 1982, to add new subsection (n).

CIVIL MONEY PENALTIES AND DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS

SEC. 12. (a) Any approved retail food store or wholesale food concern may be disqualified for a specified period of time from further participation in the food stamp program, or subjected to a civil money penalty of up to $10,000 for each violation if the Secretary determines that its disqualification would cause hardship to food stamp households, on a finding, made as specified in the regulations, that such store or concern has violated any of the provisions of this Act or the regulations issued pursuant to this Act.

(b) Disqualification under subsection (a) shall be—

(1) for a reasonable period of time, of no less than six months nor more than five years, upon the first occasion of disqualification;

(2) for a reasonable period of time, of no less than twelve months nor more than ten years, upon the second occasion of disqualification; and

(3) permanent upon the third occasion of disqualification or the first occasion of a disqualification based on the purchase of coupons or trafficking in coupons or authorization cards by a retail food store or wholesale food concern.

(c) The action of disqualification or the imposition of a civil money penalty shall be subject to review as provided in section 14 of this Act.

(d) As a condition of authorization to accept and redeem coupons, the Secretary may require a retail food store or wholesale food concern which has been disqualified or subjected to a civil penalty pursuant to subsection (a) to furnish a bond to cover the value of coupons which such store or concern may in the future accept and redeem in violation of this Act. The Secretary shall, by regulation, prescribe the amount, terms, and conditions of such bond. If the Secretary finds that such store or concern has accepted and redeemed coupons in violation of this Act after furnishing such bond, such store or concern shall forfeit to the Secretary an amount of such bond which is equal to the value of coupons accepted and redeemed by such store or concern in violation of this Act. Such store or concern may obtain a hearing on such forfeiture pursuant to section 14.[110] (7 U.S.C. 2021)

COLLECTION AND DISPOSITION OF CLAIMS [111]

SEC. 13. (a) The Secretary shall have the power to determine the amount of and settle and adjust any claim and to compromise or deny all or part of any such claim or claims arising under the provisions of this Act or the regulations issued pursuant to this Act, including, but not limited to, claims arising from fraudulent and nonfraudulent overissuances to recipients, including the power to waive claims if the Secretary determines that to do so would serve the purposes of this Act. Such powers with respect to claims against recipients may be delegated by the Secretary to State agencies. The Secretary shall have the power to reduce amounts otherwise due to a State agency under section 16 of this Act to collect unpaid claims assessed against the State agency if the State agency has declined or exhausted its appeal rights under section 14 of this Act.

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[110] Amended by Public Law 97-253, sections 175 and 176(a), 96 Stat. 781, Sept. 8, 1982, to replace "$5,000" with "$10,000"; delete the second sentence and replace with subsection (b); designate first and last sentences as subsections (a) and (c); and add new subsection (d).

[111] Amended by Public Law 97-35, section 113(b), 95 Stat. 363, Aug. 13, 1981, to delete "Determination of" and substitute "Collection and".

(b)(1)(A) In the case of any ineligibility determination under section 6(b) of this Act, the household of which such ineligible individual is a member is required to agree to a reduction in the allotment of the household of which such individual is a member, or payment in cash, in accordance with a schedule determined by the Secretary, that will be sufficient to reimburse the Federal Government for the value of any overissuance of coupons resulting from the activity that was the basis of the ineligibility determination. If a household refuses to make an election within thirty days of a demand for an election, or elects to make a payment in cash under the provisions of the preceding sentence and fails to do so, the household shall be subject to an allotment reduction.

(B) State agencies may collect any claim against a household arising from the overissuance of coupons based on an ineligibility determination under section 6(b), other than claims collected pursuant to subparagraph (A), by using other means of collection.

(2)(A) State agencies shall collect any claim against a household arising from the overissuance of coupons, other than claims the collection of which is provided for in paragraph (1) of this subsection and claims arising from an error of the State agency, by reducing the monthly allotments of the household. These collections shall be limited to 10 per centum of the monthly allotment (or $10 per month, whenever that would result in a faster collection rate).

(B) State agencies may collect any claim against a household arising from the overissuance of coupons, other than claims collected pursuant to paragraph (1) or subparagraph (A), by using other means of collection.[112] (7 U.S.C. 2022)

ADMINISTRATIVE AND JUDICIAL REVIEW

SEC. 14. (a)[113] Whenever an application of a retail food store or wholesale food concern to participate in the food stamp program is denied pursuant to section 9 of this Act, or a retail food store or wholesale food concern is disqualified or subjected to a civil money penalty under the provisions of section 12 of this Act, or a retail food store or wholesale food concern forfeits a bond under section 12(d) of this Act, or all or part of any claim of a retail food store or wholesale food concern is denied under the provisions of section 13 of this Act, or a claim against a State agency is stated pursuant to the provisions of section 13 of this Act, notice of such administrative action shall be issued to the retail food store, wholesale food concern, or State agency involved. Such notice shall be delivered by certified mail or personal service. If such store, concern, or State agency is aggrieved by such action, it may, in accordance with regulations promulgated under this Act, within ten days of the date of delivery of such notice, file a written request for an opportunity to submit information in support of its position to such person or persons as the regulations may designate. If such a request is not made or if such store, concern, or State agency fails to submit information in support of its position after filing a request, the administrative determination shall be final. If such request is made by such store, concern, or State agency, such information as may be submitted by the store, concern, or State agency, as well as such other information as may be available, shall be reviewed by the person or persons designated by the Secretary, who shall, subject to the right of judicial review hereinafter provided, make a determination which shall be final and which shall take effect thirty days after the date of the delivery or service of such final notice of determination. If the store, concern, or State agency feels aggrieved by such final determination, it may obtain judicial review thereof by filing a complaint against the United States in the United States court for the district in which it resides or is engaged in business, or, in the case of a retail food store or wholesale food concern, in any court of record of the State having competent jurisdiction, within thirty days after the date of delivery or service of the final notice of determination upon it, requesting the court to set aside such determination. The copy of the summons and complaint required to be delivered to the official or agency whose order is being attacked shall be sent to the Secretary or such person or persons as the Secretary may designate to receive service of process. The suit in the United States district court or State court shall be a trial de novo by the court in which the court shall determine the validity of the questioned administrative action in issue. If the court determines that such administrative action is invalid, it shall enter such judgment or order as it determines is in accordance with the law and the evidence. During the pendency of such judicial review, or any appeal therefrom, the administrative action under review shall be and remain in full force and effect, unless an application to the court on not less than ten days' notice, and after hearing thereon and a showing of irreparable injury, the court temporarily stays such administrative action pending disposition of such trial or appeal.

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[112] Amended by Public Law 97-35, section 113(a), 95 Stat. 363, Aug. 13, 1981, to insert "(a)" immediately after the section designation; insert before the period at the end of the first sentence ", including the power to waive claims if the Secretary determines that to do so would serve the purpose of this Act"; add the following new sentence at the end thereof: "The Secretary shall have the power to reduce amounts otherwise due to a State agency under section 16 of this Act to collect unpaid claims assessed against the State agency if the State agency has declined or exhausted its appeal rights under section 14 of this Act."; and add subparagraphs (b)(1) and (2). Further amended by Public Law 97-253, sections 177 and 178, 96 Stat. 781-2, Sept. 8, 1982, to insert "within thirty days of a demand for an election" in paragraph (1)(A), and add subparagraphs (1)(B) and (2)(B).

[113] Amended by Public Law 97-98, section 1329(b), 95 Stat. 1286, Dec. 22, 1981, to add the subsection designation "(a)". Further amended by Public Law 97-253, section 176(b), 96 Stat. 781, Sept. 8, 1982, to add the reference to bonding in subsection (a).

(b) In any judicial action arising under this Act, any food stamp allotments found to have been wrongfully withheld shall be restored only for periods of not more than one year prior to the date of the commencement of such action, or in the case of an action seeking review of a final State agency determination, not more than one year prior to the date of the filing of a request with the State for the restoration of such allotments or, in either case, not more than one year prior to the date the State agency is notified or otherwise discovers the possible loss to a household.[114] (7 U.S.C. 2023)

VIOLATIONS AND ENFORCEMENT

SEC. 15. (a) Notwithstanding any other provision of this Act, the Secretary may provide for the issuance or presentment for redemption of coupons to such person or persons, and at such times and in such manner, as the Secretary deems necessary or appropriate to protect the interests of the United States or to ensure enforcement of the provisions of this Act or the regulations issued pursuant to this Act.

(b)(1) Subject to the provisions of paragraph (2) of this subsection, whoever knowingly uses, transfers, acquires, alters, or possesses coupons or authorization cards in any manner not authorized by this Act or the regulations issued pursuant to this Act shall, if such coupons or authorization cards are of a value of $100 or more, be guilty of a felony and shall, upon the first conviction thereof, be fined not more than $10,000 or imprisoned for not more than five years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than six months nor more than five years and may also be fined not more than $10,000 or, if such coupons or authorization cards are of a value of less than $100, shall be guilty of a misdemeanor, and, upon the first conviction thereof, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, and upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than $1,000. In addition to such penalties, any person convicted of a felony or misdemeanor violation under this subsection may be suspended by the court from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 6(b)(1) of this Act.

(2) In the case of any individual convicted of an offense under paragraph (1) of this subsection, the court may permit such individual to perform work approved by the court for the purpose of providing restitution for losses incurred by the United States and the State agency as a result of the offense for which such individual was convicted. If the court permits such individual to perform such work and such individual agrees thereto, the court shall withhold the imposition of the sentence on the condition that such individual perform the assigned work. Upon the successful completion of the assigned work the court may suspend such sentence.

(c) Whoever presents, or causes to be presented coupons for payment or redemption of the value of $100 or more, knowing the same to have been received, transferred, or used in any manner in violation of the provisions of this Act or the regulations issued pursuant to this Act, shall be guilty of a felony and, upon the first conviction thereof, shall be fined not more than $10,000 or imprisoned for not more than five years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than one year nor more than five years and may also be fined not more than $10,000, or, if such coupons are of a value of less than $100, shall be guilty of a misdemeanor and, upon the first conviction thereof, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than $1,000. In addition to such penalties, any person convicted of a felony or misdemeanor violation under this subsection may be suspended by the court from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 6(b)(1) of this Act.[115]

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[114] Amended by Public Law 97-98, section 1320(b), 95 Stat. 1286, Dec. 22, 1981, to add new subsection (b).

(d) Coupons issued pursuant to this Act shall be deemed to be obligations of the United States within the meaning of section 8 of title 18, United States Code.

(e) Any coupon issuer or any officer, employee, or agent thereof convicted of failing to provide the report required under section 7(d) of this Act or of violating the regulations issued under section 7 (d) and (e) of this Act shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

(f) Any coupon issuer or any officer, employee, or agent thereof convicted of knowingly providing false information in the report required under section 7(d) of this Act shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(g) The Secretary may subject to forfeiture and denial of property rights any nonfood items, moneys, negotiable instruments, securities, or other things of value that are furnished or intended to be furnished by any person in exchange for coupons or authorization cards in any manner not authorized by this Act or the regulations issued under this Act. Any forfeiture and disposal of property forfeited under this subsection shall be conducted in accordance with procedures contained in regulations issued by the Secretary.[116] (7 U.S.C. 2024)

ADMINISTRATIVE COST-SHARING AND QUALITY CONTROL

SEC. 16. (a) The Secretary is authorized to pay to each State agency an amount equal to 50 per centum of all administrative costs involved in each State agency's operation of the food stamp program, which costs shall include, but not be limited to, the cost of (1) the certification of applicant households, (2) the acceptance, storage, protection, control, and accounting of coupons after their delivery to receiving points within the State, (3) the issuance of coupons to all eligible households, and (4) fair hearings:[117] *Provided*, That the Secretary is authorized to pay each State agency an amount not less than 75 per centum of the costs of State food stamp program investigations and prosecutions, and is further authorized at the Secretary's discretion to pay any State agency administering the food stamp program on all or part of an Indian reservation under section 11(d) of this Act such amounts for administrative costs as the Secretary determines to be necessary for effective operation of the food stamp program, as well as to permit each State to retain 50 per centum of the value of all funds or allotments recovered or collected pursuant to section 13(b)(1) of this Act and 25 per centum of the value of all funds or allotments recovered or collected pursuant to section 13(b)(2) of this Act, except the value of funds or allotments recovered or collected pursuant to section 13(b)(2) which arise from an error of a State agency.[118] The officials responsible for making determinations of ineligibility[119] under this Act shall not receive or benefit from revenues retained by the State under the provisions of this subsection.[120]

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[115] Amended by Public Law 97-98, section 1324, 95 Stat. 1288, Dec. 22, 1981, to revise subsections (b) and (c) to read as shown.

[116] Amended by Public Law 96-249, section 124, 94 Stat. 363, May 26, 1980, to add subsection (g).

[117] Amended by Public Law 97-35, section 111(b), 95 Stat. 362, Aug. 13, 1981, to delete clause (1) and redesignate clauses (2), (3), (4), and (5) as clauses (1), (2), (3) and (4), respectively.

(b) The Secretary shall (1) establish standards for the efficient and effective administration of the food stamp program by the States[121] and (2) instruct each State to submit, at regular intervals, reports which shall specify the specific administrative actions proposed to be taken and implemented in order to meet the efficiency and effectiveness standards established pursuant to clause (1) of this subsection.[122]

(c) The Secretary is authorized to adjust a State agency's federally funded share of administrative costs pursuant to subsection (a), other than the costs already shared in excess of 50 per centum under the proviso in the first sentence of subsection (a) or under subsection (g), by increasing such share to 60 per centum of all such administrative costs in the case of a State agency which has—

(1) a payment error rate as defined in subsection (d)(1) which, when added to the total percentage of all allotments underissued to eligible households by the State agency, is less than 5 per centum; and

(2) a rate of invalid decisions in denying eligibility which is less than a nationwide percentage which the Secretary determines to be reasonable.[123]

(d)(1)[124] As used in this subsection, the term "payment error rate" means the total percentage of all allotments issued in a fiscal year by a State agency which are either—

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[118] Amended by Public Law 97-35, section 114(1), 95 Stat. 362, Aug. 13, 1981, to delete in the first sentence "through prosecutions" and all that follows through the end of the sentence and insert in lieu thereof "pursuant to section 13(b)(1) of this Act and 25 per centum of the value of all funds or allotments recovered or collected pursuant to section 13(b)(2) of this Act.". Further amended by Public Law 97-253, section 179, 96 Stat. 782, Sept. 8, 1982, to add the language after the final comma in the first sentence.

[119] Amended by Public Law 97-35, section 114(2), 95 Stat. 363, Aug. 13, 1981, to delete "fraud" and substitute "ineligibility".

[120] Amended by Public Law 96-58, section 6, 93 Stat. 391, Aug. 14, 1979, to add the language following "effective operation of the food stamp program".

[121] Amended by Public Law 97-98, section 1325, 95 Stat. 1289, Dec. 22, 1981, to delete the phrase ", including, but not limited to, staffing standards such as caseload per certification worker limitations," immediately following the word "State".

[122] Amended by Public Law 96-249, section 121, 94 Stat. 363, May 26, 1980, to delete the last sentence of subsection (b).

[123] Amended by Public Law 97-98, section 1326(1), 95 Stat. 1289, Dec. 22, 1981, to add the language beginning ", and, effective October 1, 1981, . . ." and continuing to the end of the first sentence. Further amended by Public Law 96-249, section 125, 94 Stat. 364, May 26, 1980, to shift the placement of the October 1, 1978, effective date; provide that cumulative error rates shall be dealt with semiannually; add new subparagraphs (A) and (B) to paragraph (1); and add new paragraphs (2), (3), and (4). Further amended by Public Law 97-253, section 180(a)(1), 96 Stat. 782, Sept. 8, 1982, to delete subsection (c) and substitute a new subsection (c).

[124] Amended by Public Law 97-98, section 1326(2), 95 Stat. 1289, Dec. 22, 1981, to delete "October 1, 1978" and substitute "October 1, 1981". Further amended by Public Law 97-98, section 1327, 95 Stat. 1289, Dec. 22, 1981, to add "(2)" following the phrase "subsection (c)". (See footnote 125.)

(A) issued to households which fail to meet basic program eligibility requirements; or

(B) overissued to eligible households.

(2)(A) The Secretary shall institute an error rate reduction program under which, if a State agency's payment error rate exceeds—

(i) 9 per centum for fiscal year 1983;

(ii) 7 per centum for fiscal year 1984; or

(iii) 5 per centum for fiscal year 1985 or any fiscal year thereafter,

then the Secretary shall, other than for good cause shown or as provided in subparagraph (B), reduce the State agency's federally funded share of administrative costs provided pursuant to subsection (a), other than the costs already shared in excess of 50 per centum under the proviso in the first sentence of subsection (a) or under subsection (g), by the amounts required under paragraph (3).

(B) The Secretary may not reduce a State agency's federally funded share of administrative costs pursuant to subparagraph (A)—

(i) on the basis of the State agency's payment error rate for fiscal year 1983, if such payment error rate represents a reduction from the State agency's payment error rate for the period beginning on October 1, 1980, and ending on March 31, 1981, of at least 33.3 per centum of the difference between the State agency's payment error rate for such period and 5 per centum; or

(ii) on the basis of the State agency's payment error rate for fiscal year 1984, if such payment error rate represents a reduction from the State agency's payment error rate for the period beginning on October 1, 1980, and ending on March 31, 1981, of at least 66.7 per centum of the difference between the State agency's payment error rate for such period and 5 per centum.

(3)(A) The Secretary shall reduce a State agency's federally funded share of administrative costs, except as provided in subparagraph (B), by—

(i) 5 per centum for each per centum or fraction thereof that the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2); and

(ii) if the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2) by more than 3 per centum, an additional 5 per centum (for a total of 10 per centum) for each per centum or fraction thereof that the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2) by more than 3 per centum.

(B) The Secretary may not reduce a State agency's federally funded share of administrative costs for a fiscal year by an amount that exceeds the product of multiplying—

(i) the per centum by which the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2); by

(ii) the total dollar value of all coupons issued by the State agency during the fiscal year.

(4) The Secretary may require a State agency to report any factors which the Secretary considers necessary to determine the appropriate level of a State agency's federally funded share of administrative costs under this subsection. If a State agency fails to meet the repor[illegible] requirements established by the Secretary, the Secretary shall base the determination on all pertinent information available to the Secretary.

(5) If the Secretary reduces a State agency's federally funded share of administrative costs under this subsection, the State may seek administrative and judicial review of the action pursuant to section 14.[125]

(e) The Secretary and State agencies shall [126] (1) require, as a condition of eligibility for participation in the food stamp program, that each household member furnish to the State agency their social security account number (or numbers, if they have more than one number), and (2) use such account numbers in the administration of the food stamp program. The Secretary and State agencies shall have access to the information regarding individual food stamp program applicants and participants who receive benefits under title XVI of the Social Security Act that has been provided to the Secretary of Health and Human Services, but only to the extent that the Secretary and the Secretary of Health and Human Services determine necessary for purposes of determining or auditing a household's eligibility to receive assistance or the amount thereof under the food stamp program, or verifying information related thereto.[127]

(f) Notwithstanding any other provision of law, counsel may be employed and counsel fees, court costs, bail, and other expenses incidental to the defense of officers and employees of the Department of Agriculture may be paid in judicial or administrative proceedings to which such officers and employees have been made parties and that arise directly out of their performance of duties under this Act.

(g) Effective October 1, 1980, the Secretary is authorized to pay to each State agency an amount equal to 75 per centum of the costs incurred by the State agency in the planning, design, development, or installation of automatic data processing and information retrieval systems that the Secretary determines (1) will assist in meeting the requirements of this Act, (2) meet such conditions as the Secretary prescribes, (3) are likely to provide more efficient and effective administration of the food stamp program, and (4) will be compatible with other such systems used in the administration of State plans under the Aid to Families with Dependent Children Program under title IV of the Social Security Act: *Provided*, That there shall be no such payments to the extent that a State agency is reimbursed for such costs under any other Federal program or uses such systems for purposes not connected with the food stamp program: *Provided further,* That any costs matched under this subsection shall be excluded in determining the State agency's administrative costs under any other subsection of this section.[128] (7 U.S.C. 2025)

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[125] Amended by Public Law 97-253, section 180(a), 96 Stat. 782, Sept. 8, 1982, to delete subsections (d), (e), and (g), add new subsection (d), and redesignate other subsections.

[126] Amended by Public Law 97-98, section 1327, 95 Stat. 1289, Dec. 22, 1981, to delete "may" and substitute "shall".

[127] Amended by Public Law 96-58, section 4, 93 Stat. 391, Aug. 14, 1979, to add new subsection. See also section 127 of Public Law 96-249, 94 Stat. 365-367, May 26, 1980, for related amendments to the Internal Revenue Code of 1954 pertaining to the Social Security Act.

RESEARCH, DEMONSTRATION, AND EVALUATIONS

SEC. 17. (a) The Secretary may, by way of making contracts with or grants to public or private organizations or agencies, undertake research that will help improve the administration and effectiveness of the food stamp program in delivering nutrition-related benefits.

(b)(1) The Secretary may conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects designed to test program changes that might increase the efficiency of the food stamp program and improve the delivery of food stamp benefits to eligible households, including projects involving the payment of the value of allotments or the average value of allotments by household size in the form of cash to eligible households all of whose members are age sixty-five or over or any of whose members are entitled to supplemental security income benefits under title XVI of the Social Security Act or to aid to families with dependent children under part A of title IV of the Social Security Act, the use of countersigned food coupons or similar identification mechanisms that do not invade a household's privacy, and the use of food checks or other voucher-type forms in place of food coupons. The Secretary may waive the requirements of this Act to the degree necessary for such projects to be conducted, except that no project, other than a project involving the payment of the average value of allotments by household size in the form of cash to eligible households, shall be implemented which would lower or further restrict the income or resource standards or benefit levels provided pursuant to sections 5 and 8 of this Act. Any pilot or experimental project implemented under this paragraph and operating as of October 1, 1981, involving the payment of the value of allotments in the form of cash to eligible households all of whose members are either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act shall be continued until October 1, 1985, if the State so requests.[129]

(2) The Secretary shall, jointly with the Secretary of Labor, implement two pilot projects involving the performance of work in return for food stamp benefits in each of the seven administrative regions of the Food and Nutrition Service of the Department of Agriculture, such projects to be (A) appropriately divided in each region between locations that are urban and rural in characteristics and among locations selected to provide a representative cross-section of political subdivisions in the States and (B) submitted for approval prior to project implementation, together with the names of the agencies or organizations that will be engaged in such projects, to the Committee on Agriculture of the House of Repre-

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[128] Amended by Public Law 97-249, sections 126, 128, and 129, 94 Stat. 364, 365, and 367, May 26, 1980, to add new subsections.

[129] Amended by Public Law 97-98, section 1328, 95 Stat. 1289, Dec. 22, 1981, to modify subsection (b)(1) to extend and amend cash-out pilot projects.

sentatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. Under such pilot projects, any person who is subject to the work registration requirements pursuant to section 6(d) of this Act, and is a member of a household that does not have earned income equal to or exceeding the allotment to which the household is otherwise entitled pursuant to section 8(a) of this Act, shall be ineligible to participate in the food stamp program as a member of any household during any month in which such person refuses, after not being offered employment in the private sector of the economy for more than thirty days (ten days in at least one pilot project area designated by the Secretary)[130] after the initial registration for employment referred to in section 6(d)(1)(i) of this Act, to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812), for which employment compensation shall be paid in the form of the allotment to which the household is otherwise entitled pursuant to section 8(a) of this Act, with each hour of employment entitling the household to a portion of the allotment equal in value to 100 per centum of the Federal minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)); which employment shall not, together with any other hours worked in any other capacity by such person exceed forty hours a week; and which employment shall not be used by the employer to fill a job opening created by the action of such employer in laying off or terminating the employment of any regular employee not supported under this paragraph in anticipation of filling the vacancy so created by hiring an employee or employees to be supported under this paragraph: *Provided*, That all of the political subdivision's or prime sponsor's public service jobs supported under the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812), are filled before such subdivision or sponsor can extend a job offer pursuant to this paragraph: *Provided further*, That the sponsor of each such project shall provide the assurances required of prime sponsors under section 205(c) (7), (8), (15), (19), and (24) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 845(c)), and the Secretary shall require such sponsors to comply with the conditions contained in sections 208(a) (1), (4), and (5) and (c) and 703(4) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 848 (a) and (c) and 983). The Secretary and the Secretary of Labor shall jointly issue reports to the appropriate committees of Congress on the progress of such pilot projects no later than six and twelve months following enactment of this Act, shall issue interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot projects based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation.[131]

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[130] Amended by Public Law 96-249, section 131, 94 Stat. 367, May 26, 1980, to add the parenthetical phrase.

(c) The Secretary shall develop and implement measures for evaluating, on an annual or more frequent basis, the effectiveness of the food stamp program in achieving its stated objectives, including, but not limited to, the program's impact upon the nutritional and economic status of participating households, the program's impact upon all sectors of the agricultural economy, including farmers and ranchers, as well as retail food stores, and the program's relative fairness to households of different income levels, different age composition, different size, and different regions of residence. Further, the Secretary shall, by way of making contracts with or grants to public or private organizations or agencies, implement pilot programs to test various means of measuring on a continuing basis the nutritional status of low income people, with special emphasis on people who are eligible for food stamps, in order to develop minimum common criteria and methods for systematic nutrition monitoring that could be applied on a nationwide basis. The locations of the pilot programs shall be selected to provide a representative geographic and demographic cross-section of political subdivisions that reflect natural usage patterns of health and nutritional services and that contain high proportions of low income people. The Secretary shall report on the progress of these pilot programs on an annual basis commencing on July 1, 1982, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, together with such recommendations as the Secretary deems appropriate.[132]

(d) The Secretary may conduct no more than two statewide pilot projects (upon the request of a State) and no more than fourteen pilot projects in political subdivisions of States (upon the request of any such political subdivision) in which households that include one or more recipients of aid to families with dependent children under part A of title IV of the Social Security Act, of supplemental security income under title XVI of the Social Security Act, or of medical assistance under title XIX of the Social Security Act, and whose income does not exceed the applicable income standard of eligibility described in section 5(c) of this Act shall be deemed to satisfy the application requirements prescribed under section 5(a) of this Act and the income and resource requirements prescribed under subsections (d) through (g) of section 5 of this Act. For any pilot project carried out under this subsection, allotments provided pursuant to section 8(a) of this Act shall be based upon household size and (1) benefits paid to such household under part A of title IV or title XVI of the Social Security Act, or (2) income as determined for eligibility under title XIX of the Social Security Act, or at the option of the political subdivision or the State, the standard of need for such size household under such programs, except that the Secretary shall adjust the value of such allotments as may be necessary to ensure that the average allotment by household size for households participating in such pilot project and receiving such aid to families with dependent children, such supplemental security income, or such medical assistance, as the case may be, is not less than the average allotment which would have been provided under this Act but for the operation of this subsection, for each category of households, respectively, in such pilot project area, for any period during which such pilot project is in operation. The Secretary shall evaluate the impact of such pilot projects on recipient households, administrative costs, and error rates. The administrative costs of such projects shall be shared in accordance with the provisions of section 16 of this Act. In implementing this section, the Secretary shall consult with the Secretary of Health and Human Services to ensure that to the extent practicable, in the case of households participating in such pilot projects, the processing of applications for, and determinations of eligibility to receive, food stamp benefits are simplified and are unified with the processing of applications for, and determinations of eligibility to receive, benefits under such titles of the Social Security Act.

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[131] Amended by Public Law 95-400, 92 Stat. 856, Sept. 30, 1978, to alter the reporting dates. Further amended by Public Law 96-249, section 132(a), 94 Stat. 368, May 26, 1980, to replace the original language with the language beginning "shall issue interim reports", made effective on the date of enactment of Public Law 96-249, by section 132(b) thereof, 94 Stat. 368, May 26, 1980.

[132] Amended by Public Law 97-98, section 1329, 95 Stat. 1290, Dec. 22, 1981, to add new language beginning with the second sentence through the end of subsection (c).

(e)[133] (1) As used in this subsection, the term "qualification period" means a period of time immediately preceding—

(A) in the case of a new applicant for benefits under this Act, the date on which application for such benefits is made by the individual; or

(B) in the case of an otherwise continuing recipient of coupons under this Act, the date on which such coupons would otherwise be issued to the individual.

(2) Upon application of a State or political subdivision thereof, the Secretary may conduct one pilot project involving the employment requirements described in this subsection in each of four project areas selected by the Secretary.

(3) Under the pilot projects conducted pursuant to this subsection, except as provided in paragraphs (4), (5), and (6), an individual who resides in a project area shall not be eligible for assistance under this Act if the individual was not employed a minimum of twenty hours per week, or did not participate in a workfare program established under section 20, during a qualification period of—

(A) thirty or more consecutive days, in the case of an individual whose benefits under a State or Federal unemployment compensation law were terminated immediately before such qualification period began; or

(B) sixty or more consecutive days, in the case of an individual not described in clause (A).

(4) The provisions of paragraph (3) shall not apply in the case of an individual who—

(A) is under eighteen or over fifty-nine years of age;

(B) is certified by a physician as physically or mentally unfit for employment;

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[133] Amended by Public Law 96-249, section 133, 94 Stat. 368, May 26, 1980, to add subsection (e). Further amended by Public Law 97-253, sections 152(c) and 190(d), 96 Stat. 776 and 787, Sept. 8, 1982, to delete subsections (d) and (e) and redesignate other subsections.

(C) is a parent or other member of a household with responsibility for the care of a dependent child under six years of age or of an incapacitated person;

(D) is a parent or other caretaker of a child under six years of age in a household in which there is another parent who, unless covered by clause (A) or (B), or both such clauses, is employed a minimum of twenty hours per week or participating in a workfare program established under section 20;

(E) is in compliance with section 6(d) and demonstrates, in a manner prescribed by the Secretary, that the individual is able and willing to accept employment but is unable to obtain such employment; or

(F) is a member of any other group described by the Secretary.

(5) The Secretary may waive the requirements of paragraph (3) in the case of all individuals within all or part of a project area if the Secretary finds that such area—

(A) has an unemployment rate of over 10 per centum; or

(B) does not have a sufficient number of jobs to provide employment for individuals subject to this subsection.

(6) An individual who has become ineligible for assistance under this Act by reason of paragraph (3) may reestablish eligibility for assistance after a period of ineligibility by—

(1) becoming employed for a minimum of twenty hours per week during any consecutive thirty-day period; or

(2) participating in a workfare program established under section 20 during any consecutive thirty-day period.

(f) The Secretary shall conduct a study of the effects of reductions made in benefits provided under this Act pursuant to part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act of 1981, the Food Stamp and Commodity Distribution Amendments of 1981, the Food Stamp Act Amendments of 1982, and any other laws enacted by the Ninety-seventh Congress which affect the food stamp program. The study shall include a study of the effect of retrospective accounting and periodic reporting procedures established under such Acts, including the impact on benefit and administrative costs and on error rates and the degree to which eligible households are denied food stamp benefits for failure to file complete periodic reports. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report on the results of such study no later than February 1, 1984, and a final report on the results of such study no later than March 1, 1985.[134] (7 U.S.C. 2026)

AUTHORIZATION FOR APPROPRIATIONS

SEC. 18. (a)(1) To carry out the provisions of this Act, there are hereby authorized to be appropriated not in excess of $5,847,600,000 for the fiscal year ending September 30, 1978; not in excess of

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[134] Amended by Public Law 97-98, section 1330, 95 Stat. 1290, Dec. 22, 1981, to add new subsection (f). Further amended by Public Law 97-253, sections 181 and 182, 96 Stat. 784-5, Sept. 8, 1982, to add new subsections (g) and (h) (redesignated (e) and (f)).

$6,778,900,000[135] for the fiscal year ending September 30, 1979; not in excess of $9,491,000,000 for the fiscal year ending September 30, 1980; not in excess of $11,480,000,000[136] for the fiscal year ending September 30, 1981; not in excess of $11,300,000,000 for the fiscal year ending September 30, 1982; not in excess of $12,874,000,000 for the fiscal year ending September 30, 1983; not in excess of $13,145,000,000 for the fiscal year ending September 30, 1984; and not in excess of $13,933,000,000 for the fiscal year ending September 30, 1985.[137] Not to exceed one-fourth of 1 per centum of the previous year's appropriation is authorized in each such fiscal year to carry out the provisions of section 17 of this Act. The Secretary shall, by the fifteenth day of each month, submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate setting forth the Secretary's best estimate of the second preceding month's expenditure, including administrative costs, as well as the cumulative totals for the fiscal year. In each monthly report, the Secretary shall also state whether there is reason to believe that reductions in the value of allotments issued to households certified to participate in the food stamp program will be necessary under subsection (b) of this section.[138]

(2) No funds authorized to be appropriated under this Act or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this Act or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate.[139]

(b) In any fiscal year, the Secretary shall limit the value of those allotments issued to an amount not in excess of the appropriation for such fiscal year. Notwithstanding any other provision of this Act,[140] if in any fiscal year the Secretary finds that the requirements of participating States will exceed the limitation set herein, the Secretary shall direct State agencies to reduce the value of such allotments to be issued to households certified as eligible to participate in the food stamp program to the extent necessary to comply with the provisions of this subsection.

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[135] Amended by Public Law 96-58, section 1, 93 Stat. 389, Aug. 14, 1979, to change the amount authorized to be appropriated for the fiscal year ending September 30, 1979, from $6,158,900,000 to $6,778,900,000.

[136] Amended by Public Law 96-249, section 201, 94 Stat. 370, May 26, 1980, to reflect change in appropriations ceiling, increasing $6,188,600,000 and $6,235,900,000 to $9,491,000,000 and $9,739,276,000, respectively. Further amended by Public Law 97-18, section 1, 95 Stat. 102, June 30, 1981, to delete "$9,739,276,000" and insert in lieu thereof "$11,480,000,000".

[137] Amended by Public Law 97-98, section 1331, 95 Stat. 1291, Dec. 1981, to delete "and" after "September 30, 1980;"; and insert before the period at the end thereof the following "; and not in excess of $11,300,000,000 for the fiscal year ending September 30, 1982". Further amended by Public Law 97-253, section 183, 96 Stat. 785, Sept. 8, 1982, to add the figures for 1983, 1984, and 1985.

[138] Amended by Public Law 96-58, section 1(2), 93 Stat. 389, Aug. 14, 1979, to delete the original final sentence of section 18(a) and insert in lieu thereof the last two sentences of subsection (a)(1).

[139] Amended by Public Law 96-249, section 134, 94 Stat. 368, May 26, 1980, to add "(1)" after "Sec. 18(a)" and add paragraph (2).

[140] Amended by Public Law 96-58, section 1, 93 Stat. 389, Aug. 14, 1979, to add "Notwithstanding any other provision of this Act,".

(c) In prescribing the manner in which allotments will be reduced under subsection (b) of this section, the Secretary shall ensure that such reductions reflect, to the maximum extent practicable, the ratio of household income, determined under sections 5(d) and 5(e) of this Act, to the income standards of eligibility, for households of equal size, determined under section 5(c) of this Act. The Secretary may, in prescribing the manner in which allotments will be reduced, establish (1) special provisions applicable to persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise disabled, and (2) minimum allotments after any reductions are otherwise determined under this section.

(d) Not later than sixty days after the issuance of a report under subsection (a) of this section in which the Secretary expresses the belief that reductions in the value of allotments to be issued to households certified to participate in the food stamp program will be necessary, the Secretary shall take the requisite action to reduce allotments in accordance with the requirements of this section. Not later than seven days after the Secretary takes any action to reduce allotments under this section, the Secretary shall furnish the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a statement setting forth (1) the basis of the Secretary's determination, (2) the manner in which the allotments will be reduced, and (3) the action that has been taken by the Secretary to reduce the allotments.[141]

(e) Funds collected from claims against households or State agencies, including claims collected pursuant to sections 7(f), 11 (g) and (h), and 13(b) of this Act, claims resulting from resolution of audit findings, and claims collected from households receiving overissuances, shall be credited to the food stamp program appropriation account for the fiscal year in which the collection occurs. Funds provided to State agencies under section 16(c) of this Act shall be paid from the appropriation account for the fiscal year in which the funds are provided.[142] (7 U.S.C. 2027)

BLOCK GRANT

SEC. 19. (a)(1)(A) From the sums appropriated under this Act the Secretary shall, subject to the provisions of this subsection and subsection (b), pay to the Commonwealth of Puerto Rico not to exceed $825,000,000 for each fiscal year to finance 100 per centum of the expenditures for food[143] assistance provided to needy persons, and

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[141] Amended by Public Law 96-58, section 1, 93 Stat. 389, 390, Aug. 14, 1979, to add subsections (c) and (d).

[142] Amended by Pubic Law 97-98, section 1332, 95 Stat. 1291, Dec. 22, 1981, to add new subsection (e). Further amended by Public Law 97-253, section 180(b)(2), 96 Stat. 784, Sept. 1982, to delete the reference to section 16(g).

[143] Amended by Public Law 97-253, section 184, 96 Stat. 785, Sept. 8, 1982, to insert "noncash" in subsection (a)(1)(A). Public Law 97-253, section 184(b), 96 Stat. 785, Sept. 8, 1982 provided that such amendment shall not apply with respect to any plan submitted under section 19(b) of the Food Stamp Act of 1977 (7 U.S.C. 2028(b)) by the Commonwealth of Puerto Rico in order to receive payments for the fiscal year ending September 30, 1982, or the fiscal year ending Sep-

Continued

50 per centum of the administrative expenses related to the provision of such assistance.

(B) The payments to the Commonwealth for any fiscal year shall not exceed the expenditures by that jurisdiction during that year for the provision of the assistance the provision of which is included in the plan of the Commonwealth approved under subsection (b) and 50 per centum of the related administrative expenses.

(2) The Secretary shall, subject to the provisions of subsection (b), pay to the Commonwealth for the applicable fiscal year, at such times and in such manner as the Secretary may determine, the amount estimated by the Commonwealth pursuant to subsection (b)(1)(A)(iv), reduced or increased to the extent of any prior overpayment or current underpayment which the Secretary determines has been made under this section and with respect to which adjustment has not already been made under this subsection.

(b)(1)(A) In order to receive payments under this Act for any fiscal year, the Commonwealth shall have a plan for that fiscal year approved by the Secretary under this section. By July 1 of each year, if the Commonwealth wishes to receive payments, it shall submit a plan for the provision of the assistance described in subsection (a)(1)(A) for the following fiscal year which—

(i) designates a single agency which shall be responsible for the administration, or supervision of the administration, of the program for the provision of such assistance;

(ii) assesses the food and nutrition needs of needy persons residing in the Commonwealth;

(iii) describes the program for the provision of such assistance, including the assistance to be provided and the persons to whom such assistance will be provided, and any agencies designated to provide such assistance, which program must meet such requirements as the Secretary may by regulation prescribe for the purpose of assuring that assistance is provided to the most needy persons in the jurisdiction;

(iv) estimates the amount of expenditures necessary for the provision of the assistance described in the program and related administrative expenses, up to the amount provided for payment by subsection (a)(1)(A); and

(v) includes such other information as the Secretary may require.

(B)(i) The Secretary shall approve or disapprove any plan submitted pursuant to subparagraph (A) no later than August 1 of the year in which it is submitted. The Secretary shall approve any plan which complies with the requirements of subparagraph (A). If a plan is disapproved because it does not comply with any of the requirements of that paragraph the Secretary shall, except as provided in subparagraph (B)(ii), notify the appropriate agency in the Commonwealth that payments will not be made to it under subsection (a) for the fiscal year to which the plan applies until the Secretary is satisfied that there is no longer any such failure to comply,

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tember 30, 1983. Public Law 98-107, section 101(b), 97 Stat. 734, Oct. 1, 1983, extended such prohibition through December 31, 1983. Public Law 98-204, section 1, 97 Stat. 1385, Dec. 2, 1983, amended this section by deleting "non-cash" for the period January 1, 1984, through September 30, 1985.

and until the Secretary is so satisfied, the Secretary will make no payments.

(ii) The Secretary may suspend the denial of payments under subparagraph (B)(i) for such period as the Secretary determines appropriate and instead withhold payments provided for under subsection (a), in whole or in part, for the fiscal year to which the plan applies, until the Secretary is satisfied that there is no longer any failure to comply with the requirements of subparagraph (A), at which time such withheld payments shall be paid.

(2)(A) The Commonwealth shall provide for a biennial audit of expenditures under its program for the provision of the assistance described in subsection (a)(1)(A), and within 120 days of the end of each fiscal year in which the audit is made, shall report to the Secretary the findings of such audit.

(B) Within 120 days of the end of the fiscal year, the Commonwealth shall provide the Secretary with a statement as to whether the payments received under subsection (a) for that fiscal year exceeded the expenditures by it during that year for which payment is authorized under this section, and if so, by how much, and such other information as the Secretary may require.

(C)(i) If the Secretary finds that there is a substantial failure by the Commonwealth to comply with any of the requirements of subparagraphs (A) and (B), or to comply with the requirements of subsection (b)(1)(A) in the administration of a plan approved under subsection (b)(1)(B), the Secretary shall, except as provided in subparagraph (C)(ii), notify the appropriate agency in the Commonwealth that further payments will not be made to it under subsection (a) until the Secretary is satisfied that there will no longer be any such failure to comply, and until the Secretary is so satisfied, the Secretary shall make no further payments.

(ii) The Secretary may suspend the termination of payments under subparagraph (C)(i) for such period as the Secretary determines appropriate, and instead withhold payments provided for under subsection (a), in whole or in part, until the Secretary is satisfied that there will no longer be any failure to comply with the requirements of subparagraphs (A) and (B) and subsection (b)(1)(A), at which time such withheld payments shall be paid.

(iii) Upon a finding under subparagraph (C)(i) of a substantial failure to comply with any of the requirements of subparagraphs (A) and (B) and subsection (b)(1)(A), the Secretary may, in addition to or in lieu of any action taken under subparagraphs (C)(i) and (C)(ii), refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance by the Commonwealth of Puerto Rico, and upon suit by the Attorney General in an appropriate district court of the United States and a showing that noncompliance has occurred, appropriate injunctive relief shall issue.

(c)(1) The Secretary shall provide for the review of the programs for the provision of the assistance described in subsection (a)(1)(A) for which payments are made under this Act.

(2) The Secretary is authorized as the Secretary deems practicable to provide technical assistance with respect to the programs for the provision of the assistance described in subsection (a)(1)(A).

(d) Whoever knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any funds, assets, or property provided or financed under this section shall be fined not more than $10,000 or imprisoned for not more than five years, or both, but if the value of the funds, assets or property involved is not over $200, the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both.[144] (7 U.S.C. 2028)

WORKFARE

SEC. 20. (a)(1) The Secretary shall permit any political subdivision, in any State, that applies and submits a plan to the Secretary in compliance with guidelines promulgated by the Secretary to operate a workfare program pursuant to which every member of a household participating in the food stamp program who is not exempt by virtue of the provisions of subsection (b) of this section shall accept an offer from such subdivision to perform work on its behalf, or may seek an offer to perform work, in return for compensation consisting of the allotment to which the household is entitled under section 8(a) of this Act, with each hour of such work entitling that household to a portion of its allotment equal in value to 100 per centum of the higher of the applicable State minimum wage or the Federal minimum hourly rate under the Fair Labor Standards Act of 1938.

(2)(A) The Secretary shall promulgate guidelines pursuant to paragraph (1) which, to the maximum extent practicable, enable a political subdivision to design and operate a workfare program under this section which is compatible and consistent with similar workfare programs operated by the subdivision.

(B) A political subdivision may comply with the requirements of this section by operating—

(i) a workfare program pursuant to title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

(ii) any other workfare program which the Secretary determines meets the provisions and protections provided under this section.[145]

(b) The household members who shall be exempt from workfare requirements are those who are either (1) mentally or physically unfit; (2) under eighteen years of age; (3) sixty years of age or over; (4) at the option of the operating agency, subject to and currently actively and satisfactorily participating at [146] least twenty hours a week in a work training program under a work registration requirement pursuant to title IV of the Social Security Act; (5) a parent or other member of a household with responsibility for the care of a child under age six or of an incapacitated person; (6) a parent or other caretaker of a child in a household where there is another member who is subject to the requirements of this subsection or is employed full time; (7) a regular participant in a drug addiction or alcoholic treatment and rehabilitation program; or (8) an individual described in section 6(d)(2) (D) or (F) of this Act.

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[144] Amended by Public Law 97-35, section 116, 95 Stat. 364, Aug. 13, 1981, to, effective July 1, 1982, strike out "Puerto Rico," in section 3(m), clause (3) of section 3(o), section 5(b), wherever it appears in section 5(c), and wherever it appears in section 5(e); to delete "$50," and "$40," in section 5(e); and to add section 19. Public Law 97-253, section 184(c), 96 Stat. 785–6, Sept. 8, 1982, directed the Secretary to conduct a study of the impact of making food assistance available to needy persons in the Commonwealth of Puerto Rico in the form of cash under section 19. Public Law 98-204, section 2, 97 Stat. 1385, Dec. 2, 1983, directs the Secretary to conduct a further study of the program in Puerto Rico.

[145] Amended by Public Law 97-253, section 185, 96 Stat. 786, Sept. 8, 1982, to designate paragraph (1) and add new paragraph (2).

[146] Amended by Public Law 97-253, section 186, 96 Stat. 786, Sept. 8, 1982, to delete "subject to and currently involved" in clause (4) and substitute the language shown.

(c) No operating agency shall require any participating member to work in any workfare position to the extent that such work exceeds in value the allotment to which the household is otherwise entitled or that such work, when added to any other hours worked during such week by such member for compensation (in cash or in kind) in any other capacity, exceeds thirty hours a week.[147]

(d) The operating agency shall—

(1) not provide any work that has the effect of replacing or preventing the employment of an individual not participating in the workfare program;

(2) provide the same benefits and working conditions that are provided at the job site to employees performing comparable work for comparable hours; and

(3) reimburse participants for actual costs of transportation and other actual costs all of which are reasonably necessary and directly related to participation in the program but not to exceed $25 in the aggregate per month.

(e) The operating agency may allow a job search period, prior to making workfare assignments, of up to thirty days following a determination of eligibility.

(f) In the event that any person fails to comply with the requirements of this section, neither that person nor the household to which that person belongs shall be eligible to participate in the food stamp program for two months, unless that person or another person in the household satisfies all outstanding workfare obligations prior to the end of the two-month disqualification period.

(g)(1) The Secretary shall pay to each operating agency 50 per centum of all administrative expenses incurred by such agency in operating a workfare program, including reimbursements to participants for work-related expenses as described in subsection (d)(3) of this section.

(2)(A) From 50 per centum of the funds saved from employment related to a workfare program operated under this section, the Secretary shall pay to each operating agency an amount not to exceed the administrative expenses described in paragraph (1) for which no reimbursement is provided under such paragraph.

(B) For purposes of subparagraph (A), the term "funds saved from employment related to a workfare program operated under this section" means an amount equal to three times the dollar value of the decrease in allotments issued to households, to the extent that such decrease results from wages received by members of such households for the first month of employment beginning after the date such members commence such employment if such employment commences—

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[147] Amended by Public Law 97-253, section 187, 96 Stat. 786, Sept. 8, 1982, to delete language following "such work" to the end of the sentence and insert the language from "when . . ." through the end of subsection (c).

(i) while such members are participating for the first time in a workfare program operated under this section; or

(ii) in the thirty-day period beginning on the date such first participation is terminated.

(3) The Secretary may suspend or cancel some or all of these payments, or may withdraw approval from a political subdivision to operate a workfare program, upon a finding that the subdivision has failed to comply with the workfare requirements.[148] (7 U.S.C. 2029)

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[148] Amended by Public Law 97-98, section 1333, 95 Stat. 1291, Dec. 22, 1981, to add new section 20. Further amended by Public Law 97-253, section 188, 96 Stat. 786, Sept. 8, 1982, to insert new paragraph (2) and redesignate paragraph (2) as paragraph (3).

STATUTES RELATING OR REFERRING TO THE FOOD STAMP ACT OF 1977

COMMODITY DISTRIBUTION

Section 4(a) of the Agriculture and Consumer Protection Act of 1973 provides that:

"(a) Notwithstanding any other provision of law, the Secretary may, during fiscal years 1982, 1983, 1984, and 1985, purchase and distribute sufficient agricultural commodities with funds appropriated from the general fund of the Treasury to maintain the traditional level of assistance for food assistance programs as are authorized by law, including but not limited to distribution to institutions, supplemental feeding programs wherever located, disaster areas, summer camps for children, the United States Trust Territory of the Pacific Islands, and Indians, whenever a tribal organization requests distribution of federally donated foods pursuant to section 4(b) of the Food Stamp Act of 1977. In providing for commodity distribution to Indians, the Secretary shall improve the variety and quantity of commodities supplied to Indians in order to provide them an opportunity to obtain a more nutritious diet." (7 U.S.C. 612c note)

EMERGENCY DISTRIBUTION OF COMMODITIES

Section 205(a) of the Temporary Emergency Food Assistance Act of 1983 provides that:

"(a) Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act." (7 U.S.C. 612c note)

COMMUNITY HEALTH CENTERS

The third proviso of section 101(b) of the joint resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1984, and for other purposes", approved October 1, 1983, provides that:

"* * * notwithstanding any other provision of law or this joint resolution, the provisions of subsections (f) and (i) of section 3 of the Food Stamp Act of 1977, as amended, concerning private, nonprofit drug addiction or alcoholic treatment and rehabilitation programs, shall also be applicable to publicly operated community health centers[.]" (7 U.S.C. 2012 note)

STUDY OF PROGRAM IN PUERTO RICO

Section 2 of the Act entitled "An Act to suspend the noncash benefit requirement for the Puerto Rico nutrition assistance program, to provide States with greater flexibility in the administration of the food stamp program, and for other purposes", approved December 2, 1983, provides that:

"The Secretary of Agriculture shall conduct a study of the food assistance program in Puerto Rico carried out under section 19 of the Food Stamp Act of 1977 (7 U.S.C. 2028) which shall include (1) an assessment of its impact on the adequacy of the nutritional level of the diets of households receiving food assistance in the form of cash rather than in a noncash form, (2) an assessment of the expenditure levels for food of such households, and (3) any other factors the Secretary considers appropriate. The Secretary shall submit a final report of the findings of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than March 1, 1985." (7 U.S.C. 2028 note)

POWERS OF OFFICE OF THE INSPECTOR GENERAL

Section 1337 of the Food Stamp and Commodity Distribution Amendments of 1981 provides that:

"Any person who is employed in the Office of the Inspector General, Department of Agriculture, who conducts investigations of alleged or suspected felony criminal violations of statutes, including but not limited to the Food Stamp Act of 1977, administered by the Secretary of Agriculture or any agency of the Department of Agriculture and who is designated by the Inspector General of the Department of Agriculture may—

"(1) make an arrest without a warrant for any such criminal felony violation if such violation is committed, or if such employee has probable cause to believe that such violation is being committed, in the presence of such employee;

"(2) execute a warrant for an arrest, for the search of premises, or the seizure of evidence if such warrant is issued under authority of the United States upon probable cause to believe that such violation has been committed; and

"(3) carry a firearm;

in accordance with rules issued by the Secretary of Agriculture, while such employee is engaged in the performance of official duties under the authority provided in section 6, or described in section 9, of the Inspector General Act of 1978 (5 U.S.C. App. 6, 9). The Attorney General of the United States may disapprove any designation made by the Inspector General under this section." (7 U.S.C. 2270)

DISTRIBUTION OF SURPLUS COMMODITIES

Section 1114(d) of the Agriculture and Food Act of 1981 provides that:

"(d) Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to distribution of surplus commodities under section 211 of the Agricultural Act of 1980." (7 U.S.C. 4004a)

DISCLOSURE OF INFORMATION BY SOCIAL SECURITY COMMISSIONER

Section 6103(l)(7) of the Internal Revenue Code of 1954 provides that:

"(7) Disclosure of certain information by Social Security Administration to Department of Agriculture and to State food stamp agencies.—

"(A) In general.—The Commissioner of Social Security may disclose return information from returns with respect to net earnings from self-employment (as defined in section 1402), wages (as defined in section 3121(a) or 3401(a)), and payments of retirement income which have been disclosed to the Social Security Administration as provided by paragraph (1) or (5) of this subsection—

"(i) upon request, to officers and employees of the Department of Agriculture, and

"(ii) upon written request, to officers and employees of a State food stamp agency.

"(B) Restriction on disclosure.—The Commissioner of Social Security shall disclose return information under subparagraph (A) only for purposes of, and to the extent necessary in, determining an individual's eligibility for benefits, or the amounts of benefits, under the food stamp program established under the Food Stamp Act of 1977.

"(C) State food stamp agency.—For purposes of this paragraph, the term "State food stamp agency" means any agency described in section 3(n)(1) of the Food Samp Act of 1977 which administers the food stamp program established under such Act." (26 U.S.C. 6103(l)(7))

JOB TRAINING PARTNERSHIP ACT

Section 4(8) of the Job Training Partnership Act provides that:

"(8) The term "economically disadvantaged" means an individual who (A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program; (B) has, or is a member of a family which has, received a total family income for the six-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is receiving food stamps pursuant to the Food Stamp Act of 1977; (D) is a foster child on behalf of whom State or local government payments are made; or (E) in cases permitted by regulations of the Secretary, is an adult handicapped individual whose own income meets the requirements of clause (A) or (B), but who is a member of a family whose income does not meet such requirements. (29 U.S.C. 1503(8))

DISCLOSURE OF INFORMATION BY STATE AGENCIES

Section 303(d) of the Social Security Act provides that:

"(d)(1) The State agency charged with the administration of the State law—

"(A) shall disclose, upon request and on a reimbursable basis, officers and employees of the Department of Agriculture and to officers or employees of any State food stamp agency any of the following information contained in the records of such State agency—

"(i) wage information,

"(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual,

"(iii) the current (or most recent) home address of such individual, and

"(iv) whether an individual has refused an offer of employment and, if so, a description of the employment so offered and the terms, conditions, and rate of pay therefor, and

"(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for purposes of determining an individual's eligibility for benefits, or the amount of benefits, under the food stamp program established under the Food Stamp Act of 1977.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

"(3) For purposes of this subsection, the term "State food stamp agency" means any agency described in section 3(n)(1) of the Food Stamp Act of 1977 which administers the food stamp program established under such Act." (42 U.S.C. 503(d))

STATE MANAGEMENT INFORMATION SYSTEM

Section 402(a)(30)(B) of the Social Security Act provides that:

"Sec. 602. State plans for aid and services to needy families with children; contents; approval by Secretary; records and reports; treatment of earned income advances

(a) A State plan for aid and services to needy families with children must * * * (30) at the option of the State, provide for the establishment and operation, in accordance with an (initial and annually updated) advance automatic data processing planning document approved under subsection (d) of this section, of an automated statewide management information system designed effectively and efficiently, to assist management in the administration of the State plan for aid to families with dependent children approved under this part, so as * * *

(B) to notify the appropriate officials of child support, food stamp, social service, and medical assistance programs approved under subchapter XIX of this chapter whenever the case becomes ineligible or the amount of aid or services is changed, * * * ." (42 U.S.C. 602(a)(30)(B))

DEDUCTION FROM AFDC PAYMENTS

Section 410 of the Social Security Act provides that:

"Sec. 610. Food stamp program coupons

"(a) Any State plan for aid and services to needy families with children may (but is not required under this subchapter or any other provision of Federal law to) provide for the institution of procedures, in any or all areas of the State, by the State agency administering or supervising the administration of such plan under which any household participating in the food stamp program established by the Food Stamp Act of 1964, as amended, will be entitled, if it so elects, to have the charges, if any, for its coupon allotment under such program deducted from any aid, in the form of money payments, which is (or, except for the deduction of such charge, would be) payable to or with respect to such household (or any member or members thereof) under such plan and have its coupon allotment distributed to it with such aid.

"(b) Any deduction made pursuant to an option provided in accordance with subsection (a) of this section shall not be considered to be a payment described in section 606(b)(2) of this title.

"(c) Notwithstanding any other provision of law, no agency which is designated as a State agency for any State under or pursuant to the Food Stamp Act of 1964, as amended, shall be regarded as having failed to comply with any requirement imposed by or pursuant to such Act solely because of the failure, of the State agency administering or supervising the administration of the State plan (approved under this part) of such State, to institute or carry out a procedure, described in subsection (a) of this section." (42 U.S.C. 610)

ADMINISTRATIVE COSTS UNDER AFDC PLAN

Section 1(b) of the Act entitled "An Act to amend the Social Security Act with respect to food stamp purchases by welfare recipients", approved October 21, 1976, provides that:

"(b) Administrative costs incurred by a State plan for aid and services to needy families with children, approved under Part A of title IV of the Social Security Act, in conducting procedures (described in section 410 of such Act, as added by subsection (a) of this section) in connection with the food stamp program shall be paid from funds appropriated to carry out the Food Stamp Act of 1964, as amended." (42 U.S.C. 610 note)

STATE SSI SUPPLEMENTATION

Section 212(a)(3)(B)(i) of the Act entitled "An Act to extend the Renegotiation Act of 1951 for one year, and for other purposes", approved July 9, 1973, provides that:

"(B) For purposes of subparagraph (A), an individual's 'December 1973 income' means an amount equal to the aggregate of—

"(i) the amount of the aid or assistance (in the form of money payments) which such individual would have received (including any part of such amount which is attributable to meeting the needs of any other person whose presence in such individual's home is essential to such individual's well-being) for the month of December 1973 under a plan (approved under title I, X, XIV, or XVI, of the Social Security Act) of the State entering into an agreement under this subsection, if the terms and conditions of such plan (relating to eligibility for an amount of such aid or assistance payable thereunder) were, for the month of December 1973, the same as those in effect, under such plan, for the month of June 1973, together with the bonus value of food stamps for January 1972, as defined in section 401(b)(3) of Public Law 92-603, if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act, and (II) the level of which has been found by the Secretary pursuant to section 8 of Public Law 93-233 to have been specifically increased so as to include the bonus value of food stamps, and * * *" (42 U.S.C. 1382 note)

STATE LIABILITY UNDER SSI AGREEMENT

Section 401(b) (1) and (3) of the Social Security Amendments of 1972 provides that:

"(b)(1) For purposes of subsection (a), the term 'adjusted payment level under the appropriate approved plan of a State as in effect for January 1972' means the amount of the money payment which an individual with no other income would have received under the plan of such State approved under title I, X, XIV, or XVI, of the Social Security Act, as may be appropriate, and in effect for January 1972; except that the State may, at its option, increase such payment level with respect to any such plan by an amount which does not exceed the sum of—

"(A) a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plan, and

"(B) the bonus value of food stamps in such State for January 1972 (as defined in paragraph (3) of this subsection).

* * * * * * *

"(3) For purposes of paragraph (1), the term 'bonus value of food stamps in a State for January 1972' with respect to an individual means—

"(A) the face value of the coupon allotment which would have been provided to such an individual under the Food Stamp Act of 1964 for January 1972, reduced by

"(B) the charge which such an individual would have paid for such coupon allotment.

if the income of such individual, for purposes of determining the charge it would have been paid for its coupon allotment, had been equal to the adjusted payment level under the State plan (including any payment level modification with respect to the plan adopted pursuant to paragraph (2) (but not including any amount under this paragraph)). The total face value of food stamps and the cost thereof in January 1972 shall be determined in accordance with the rules prescribed by the Secretary of Agriculture in effect in such month." (42 U.S.C. 1382e note)

DISQUALIFICATION OF SSI RECIPIENTS

Section 8 (c) through (f) of the Act of December 31, 1973, provides that:

"(c) For purposes of section 6(g) of the Food Stamp Act of 1977 and subsections (b)(3) and (f) of this section, the level of State supplementary payment under section 1616(a) shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at its option, elect.

"(d) Upon the request of a State, the Secretary shall find, for purposes of the provisions specified in subsection (c), that the level of such State's supplementary payments of the type described in section 1616(a) of the Social Security Act has been specifically increased for any month so as to include the bonus value of food stamps (and that such State meets the applicable requirements of subsection (c)(1)) if—

"(1) the Secretary has found (under this subsection or subsection (d), as in effect in December 1980) that such State's supplementary payments in December 1980 were increased to include the bonus value of food stamps; and

"(2) such State continues without interruption to meet the requirements of section 1618 of such Act for each month after the month referred to in paragraph (1) and up to and including the month for which the Secretary is making the determination.

"(e) Section 401(b)(1) of the Social Security Amendments of 1972 is amended by striking out everything after the word 'exceed' and inserting in lieu thereof: 'a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plans'.

"(f) The amendment made by subsection (e) shall not be effective in any State which provides supplementary payments of the type described in section 1616(a) of the Social Security Act the level of which has been found by the Secretary to have been specifically increased so as to include the bonus value of food stamps." (42 U.S.C. 1382e note)

RELEASE OF INFORMATION TO HUD

Section 8(k) of the United States Housing Act of 1937 provides that:

"(k) The Secretary shall establish procedures which are appropriate and necessary to assure that income data provided to public housing agencies and owners by families applying for or receiving assistance under this section is complete and accurate. In establishing such procedures, the Secretary shall randomly, regularly, and periodically select a sample of families to authorize the Secretary to obtain information on these families for the purpose of income verification, or to allow those families to provide such information themselves. Such information may include, but is not limited to, data concerning unemployment compensation and Federal income taxation and data relating to benefits made available under the Social Security Act, the Food Stamp Act of 1977, or Title 38. Any such information received pursuant to this subsection shall remain confidential and shall be used only for the purpose of verifying incomes in order to determine eligibility of families for benefits (and the amount of such benefits, if any) under this section." (42 U.S.C. 1437f(k))

GUIDELINES FOR SCHOOL LUNCH ELIGIBILITY

Section 9(b)(1)(A) of the National School Lunch Act provides that:

"(b)(1)(A) Not later than June 1 of each fiscal year, the Secretary shall prescribe income guidelines for determining eligibility for free and reduced-price lunches during the 12-month period beginning July 1 of such fiscal year and ending June 30 of the following fiscal year. For the school years ending June 30, 1982, and June 30, 1983, the income guidelines for determining eligibility for free lunches shall be 130 percent of the applicable family-size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with subparagraph (B). Beginning July 1, 1983, the income guidelines for determining eligibility for free lunches for any school year shall be the same as the gross income eligibility standards announced by the Secretary for any such period for eligibility for participation in the food stamp program under the Food Stamp Act of 1977. The income guidelines for determining eligibility for reduced-price lunches for any school year shall be 185 percent of the applicable family-size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with subparagraph (B). The Office of Management and Budget guidelines shall be revised at annual intervals, or at any shorter interval deemed feasible and desirable." (42 U.S.C. 1758(b)(1)(A))

DOCUMENTATION FOR SCHOOL LUNCH PARTICIPATION

Section 9(d)(2)(B) of the National School Lunch Act provides that:

"(d)* * *

"(2) No member of a household may be provided a free or reduced-price lunch under this chapter unless—

> "(A)* * *
>
> "(B) documentation showing that the household is participating in the food stamp program under the Food Stamp Act of 1977 has been provided to the appropriate local school food authority." (42 U.S.C. 1758(d)(2)(B))

SUPPLEMENTATION BY SPECIAL SUPPLEMENTAL FOOD PROGRAM

Section 17(c)(1) of the Child Nutrition Act of 1966 provides that:

"(c)(1) The Secretary may carry out a special supplemental food program to assist State agencies through grants-in-aid and other means to provide, through local agencies, at no cost, supplemental foods and nutrition education to low-income pregnant, postpartum, and breastfeeding women, infants, and children who satisfy the eligibility requirements specified in subsection (d) of this section. The program shall be supplementary to the food stamp program (91 Stat. 958) and to any program under which foods are distributed to needy families in lieu of food stamps." (42 U.S.C. 1786(c)(1))

COORDINATION OF PROGRAMS

Section 17(f)(1)(K) of the Child Nutrition Act provides that:

"(f)(1) Each State agency shall submit annually to the Secretary, by a date specified by the Secretary, a plan of operation and administration for approval by the Secretary, as a prerequisite to receiving funds under this section. The plan shall include, among such other information as the Secretary may require—

* * * * * * *

"(K) a description of how the State agency plans to coordinate operations under the program with special counseling services such as, but not limited to, the expanded food and nutrition education program, family planning, immunization, prenatal care, well-child care, alcohol and drug abuse counseling, child abuse counseling, and with the food stamp program; * * * " (42 U.S.C. 1786(f)(1)(K))

OFFICE OF PERSONNEL MANAGEMENT

Section 208(a)(1) of the Intergovernmental Personnel Act of 1970 transferred to the Office of Personnel Management all functions, powers, and duties of the Secretary of Agriculture under section 10(e)(2) of the Food Stamp Act of 1964 (provisions formerly contained in section 10(e)(2) of the Food Stamp Act of 1964 are now found in section 11(e)(6) of the Food Stamp Act of 1977). It provides that:

"Sec. 208. Transfer of functions

"(a) There are hereby transferred to the Office all functions, powers, and duties of—

"(1) the Secretary of Agriculture under section 10(e)(2) of the Food Stamp Act of 1964 (7 U.S.C. 2019(e)(2));

* * * * * * *

insofar as the functions, powers, and duties relate to the prescription of personnel standards on a merit basis." (42 U.S.C. 4728(a)(1))

DISASTER RELIEF ACT

Section 409 of the Disaster Relief Act of 1974 provides that:

"Sec. 409. Food coupons and distribution

"(a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies coupon allotments to such households pursuant to the provisions of the Food

Stamp Act of 1964 (P.L. 91-671; 84 Stat. 2048) and to make surplus commodities available pursuant to the provisions of this chapter.

"(b) The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households, to which assistance is made available under this section.

"(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in an area affected by a major disaster." (42 U.S.C. 5179)

STATE ENERGY ASSISTANCE PAYMENTS

Section 2605(b)(2)(A)(iii) of the Low-Income Home Energy Assistance Act of 1981 provides that:

"(b) As part of the annual application required by subsection (a) of this section, the chief executive officer of each State shall certify that the State agrees to—

> "(1) * * *
>
> "(2) make payments under this subchapter only with respect to—
>
> > "(A) households in which 1 or more individuals are receiving—
> >
> > * * * * * * *
> >
> > "(iii) food stamps under the Food Stamp Act of 1977;" (42 U.S.C. 8624(b)(2)(A)(iii))

ENERGY ASSISTANCE PAYMENTS AS INCOME

Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 provides that:

"(f) Notwithstanding any other provision of law, the amount of any home energy assistance payments or allowances provided to an eligible household under this subchapter shall not be considered income or resources of such household (or any member thereof) for any purpose under any Federal or State law, including any law relating to taxation, food stamps, public assistance, or welfare programs." (42 U.S.C. 8624(f))

BENEFITS UNDER ALASKA NATIVE CLAIMS SETTLEMENT ACT

Section 29(b) of the Alaska Native Claims Settlement Act provides that:

"(b) Notwithstanding section 5(a) and any other provision of the Food Stamp Act of 1964 (78 Stat. 703), as amended, in determining the eligibility of any household to participate in the food stamp program, any compensation, remuneration, revenue, or other benefit received by any member of such household under this chapter shall be disregarded." (43 U.S.C. 1626(b))

PARTICIPATION IN FOOD STAMP AND COMMODITY DISTRIBUTION PROGRAMS

Section 1336 of the Food Stamp and Commodity Distribution Amendments of 1981 provides that:

"SEC. 1336. Notwithstanding any other provision of law, the Secretary of Agriculture may establish a food distribution program in the State of Oklahoma to provide food commodities to eligible Indian households and such other households as the Secretary determines appropriate in connection therewith. In determining eligibility for such program the Secretary may take into account such considerations as (1) the extent and nature of the governmental jurisdiction which a tribal organization exercises or has authority to exercise over the land on which the household resides; (2) whether the household resides in "Indian country" as defined in section 1151 of title 18, United States Code; (3) whether the household resides within an Indian service area designated by the Bureau of Indian Affairs, United States Department of the Interior; (4) the tribal membership or Indian status of persons in the household; and (5) whether the household resides in an urban area. The Secretary shall not allow any tribal organization to administer such distribution of commodities unless the Secretary determines that the tribal organization is capable of effectively and efficiently administering such distribution over defined geographic areas. The Secretary may pay such amounts for administrative costs of such distribution as the Secretary finds necessary for effective and efficient administration of such distribution by a tribal organization. No household shall be eligible to participate simultaneously in the food stamp program under the Food Stamp Act of 1977 and in the food distribution program established under authority of this section." (7 U.S.C. 2011 note)

MAJOR AUTHORITIES FOR DOMESTIC COMMODITY DISTRIBUTION

SECTION 32 OF THE ACT OF AUGUST 24, 1935

(Public Law 320, 74th Congress) [1]

SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936 an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each fiscal year.[2] Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce or by increasing their utilization through benefits, indemnities, donations or by other means, among persons in low income groups as determined by the Secretary of Agriculture; and (3) reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Determinations by the Secretary as to what constitutes diversion and what constitutes normal channels of trade and commerce and what constitutes normal production for domestic consumption shall be final.

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[1] The Act of August 24, 1935, 49 Stat. 750, 774. Although this section has been amended a number of times, the purposes of section 32—through payments or indemnities to encourage the exportation and domestic consumption of agricultural commodities and products and to reestablish farmers' purchasing power in connection with the normal production of agricultural commodities—have remained basically the same since February 29, 1936. Authority to encourage consumption of agricultural commodities and products by their utilization among persons in low-income groups was added by amendment of clause (2) in 1939 (53 Stat. 975). Later amendments are noted.

Surplus agricultural commodities purchased under clause (2) may be donated for relief purposes and for use in nonprofit summer camps for children under the Act of June 28, 1937, and may be donated to schools and service institutions under sections 9 and 13 of the National School Lunch Act, and section 8 of the Child Nutrition Act of 1966.

[2] Section 205 of the Agricultural Act of 1956 authorized the appropriation for each fiscal year, beginning with the fiscal year ending June 30, 1957, of $500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 percent of the $500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

Public Law 98-8 (97 Stat. 13 at 27) included the following provisions:

"DISTRIBUTION OF AGRICULTURAL COMMODITIES

"For an additional amount to be added to and merged with the funds currently available to the Department of Agriculture for surplus removal operations in connection with perishable agricultural commodities (7 U.S.C. 612c), $75,000,000. Such funds shall be used to acquire and distribute surplus agricultural commodities in areas of high unemployment for use in cooperative emergency feeding facilities for indigent persons and shall be accounted for separately and in addition to existing funds held in reserve to support the price of perishable commodities as the need may arise. The Secretary's ability to support prices is contingent upon maintaining reserves adequate to announce large scale purchases. Prices tend to stabilize based on the announcement of intent to purchase, thereby reducing the need for actual purchase.

"Notwithstanding 15 U.S.C. 713c-2, the Secretary of Agriculture shall purchase domestically produced fresh and processed fishery products from funds appropriated under 7 U.S.C. 612c, and distribute to eligible recipient agencies."

The sums appropriated under this section shall be expended for such one or more of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretrary of Agriculture finds will effectuate substantial accomplishment of any one or more of the purposes of this section.[3] Notwithstanding any other provision of this section, the amount that may be devoted during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 per centum of the funds available under this section for such fiscal year. The sums appropriated under this section shall be devoted principally to perishable nonbasic agriculture commodities (other than those receiving price support under title II of the Agricultural Act of 1949)[4] and their products.[5] The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over $300,000,000 shall, in the same manner as though it has been appropriated for the service of such fiscal year, be subject to the provisions of section 3690[6] of the Revised Statutes (U.S.C., title 31, sec. 712), and section 5[6] of the Act entitled "An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five and for other purposes" (U.S.C., title 31, sec. 713).[7] (7 U.S.C. 612c)

ACT OF JUNE 28, 1937[8]

(Public Law 165, 75th Congress)

COMMODITIES FOR SUMMER CAMPS

To extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in carrying out the provisions of clause (2) of section 32 of the Act approved August 24, 1935 (49 Stat. 77), as amended, the Secretary of Agriculture may transfer to the Federal Surplus Commodities Corporation,[9] which Corporation is continued until June 30, 1945, as an agency of the United States under the direction of the Secretary of Agriculture, such funds, appropriated by said section, as may be necessary for the purpose of effectuating clause (2) of said section: *Provided*, That such transferred funds, together with other funds of the Corporation, may be used for purchasing, exchanging, processing, distributing, disposing, transporting, storing, and handling of agricultural commodities and products thereof and inspection costs, commissions, and other incidental costs and expenses, without regard to the provisions of existing law governing the expenditure of public funds and for administrative expenses, including rent, printing and binding, and the employment of persons and means, in the District of Columbia and elsewhere, such employment of persons to be in accordance with the provisions of law applicable to the employment of persons by the Agricultural Adjustment Administration.

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[3] Not to exceed 4 percent of the total amount available for section 32 in any fiscal year may be used for the administration of that section under the limitation contained in section 392(b) of the Agricultural Act of 1938, 7 U.S.C. 1392(b).

[4] The clause within the parentheses was substituted for "other than those designated in title II of the Agricultural Act of 1949" by section 5 of the Act of January 30, 1954, 68 Stat. 4.

[5] This sentence was added by section 411 of the Agriculture Act of 1949, 63 Stat. 1057.

[6] Superseded by the Act of July 6, 1949, 63 Stat. 407, 31 U.S.C. 712a, and the Act of July 25, 1956, 70 Stat. 647, as amended, 31 U.S.C. 701-708.

[7] This sentence was added by section 301 of the Agriculture Act of 1948, 62 Stat. 1257.

[8] 50 Stat. 323; February 16, 1938, 52 Stat. 31, 38; June 27, 1942, 56 Stat. 461.

In carrying out clause (2) of section 32, the funds appropriated by said section may be used for the purchase, without regard to the provisions of existing law governing the expenditure of public funds, of agricultural commodities and products thereof, and such commodities, as well as agricultural commodities and products thereof purchased under the preceding paragraph of this section, may be donated for relief purposes and for use in nonprofit summer camps for children.[10] (15 U.S.C. 713c)

AGRICULTURAL ACT OF 1949

UTILIZATION OF COMMODITY CREDIT CORPORATION

SEC. 404. The Secretary, in carrying out programs under section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it. (7 U.S.C. 1424)

AGRICULTURAL ACT OF 1956

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

SEC. 205. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of $500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such $500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof. (7 U.S.C. 1855)

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[9] The functions of the Federal Surplus Commodities Corporation have been transferred to the Secretary of Agriculture (15 U.S.C. 713c note, 713c-2 note) and the Corporation has been dissolved.

[10] The last nine words were added by the Act of July 2, 1958, 72 Stat. 286.

ACT OF AUGUST 11, 1939 [11]

To authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any part of the funds not to exceed $1,500,000 per year, transferred by the Secretary of Agriculture to the Federal Surplus Commodities Corporation [9] created under and to carry out the provisions of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may also be used by such Corporation for the purpose of diverting surplus fishery products (including fish, shellfish, mollusks, and crustacea) from the normal channels of trade and commerce by acquiring them and providing for their distribution through Federal, State, and private relief channels: *Provided,* That none of the funds made available to the Federal Surplus Commodities Corporation under this Act shall be used to purchase any of the commodities designated in this Act which may have been produced in any foreign country. The provisions of law relating to the acquisition of materials or supplies for the United States shall not apply to the acquisition of commodities under this Act. (15 U.S.C. 713c-2)

SEC. 2.[12] (a) DEFINITIONS.—As used in this section—

(1) * * *

(2) The term "Secretary" means the Secretary of Commerce.

(3) * * *

(4) * * *

(5) * * *

(b) FUND.—The Secretary of Agriculture shall transfer to the Secretary each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957,[13] from moneys made available to carry out provisions of section 32 of such Act of August 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund only for use by the Secretary * * * (15 U.S.C. 713c)

AN ACT MAKING APPROPRIATIONS FOR AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1983, AND FOR OTHER PURPOSES [14]

TITLE I—AGRICULTURAL PROGRAMS

* * * * * * *

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[11] 53 Stat. 1411.

[12] Section 2 was substantially revised by Public Law 96-561, 94 Stat. 561, Dec. 22, 1980.

[13] Section 12(a) of the Act of August 8, 1956 (70 Stat. 1124; U.S.C. 713c-3, note) provides:

"The authorization for the transfer of certain funds from the Secretary of Agriculture to the Secretary of the Interior and their maintenance in a separate fund as contained in section 2(a) of the Act of August 11, 1939, as amended July 1, 1954 (68 Stat. 376), shall be continued for the year ending June 30, 1957, and each year thereafter."

[14] Public Law 97-370, 96 Stat. 1787, Dec. 18, 1982.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)[15]

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $5,670,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended and the Agricultural Act of 1961.

* * * * * * *

TITLE VI—GENERAL PROVISIONS

* * * * * * *

SEC. 620. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c) to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

* * * * * * *

SECTIONS 4 AND 5 OF THE AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

(Public Law 93-347)

COMMODITY DISTRIBUTION PROGRAM

SEC. 4.[16] (a) Notwithstanding any other provision of law, the Secretary may, during fiscal years 1982, 1983, 1984, and 1985, purchase and distribute sufficient agricultural commodities with funds appropriated from the general fund of the Treasury to maintain the traditional level of assistance for food assistance programs as are authorized by law, including but not limited to distribution to institutions, supplemental feeding programs wherever located, disaster areas, summer camps for children, the United States Trust Territory of the Pacific Islands, and Indians, whenever a tribal organization requests distribution of federally donated foods pursuant to section 4(b) of the Food Stamp Act of 1977. In providing for commodity distribution to Indians, the Secretary shall improve the variety and quantity of commodities supplied to Indians in order to provide them an opportunity to obtain a more nutritious diet.

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[15] Public Law 97-370, Dec. 18, 1982, 96 Stat. 1795.

[16] Public Law 93-86, 87 Stat. 249, Aug. 10, 1973. As originally enacted, subsection (a) authorized the use of section 32 and Commodity Credit Corporation funds to purchase agricultural commodities and their products to maintain distribution to domestic food assistance programs until July 1, 1974. Public Law 93-347, 88 Stat. 340, July 12, 1974, amended the subsection to require use of section 32 and section 416 funds for such purchases through June 30, 1975, and to require the use of appropriated funds for such purchases for the two fiscal years ending June 30, 1977 (extended to Sept. 30, 1977, by Public Law 94-273, 90 Stat. 375, April 27, 1975). The present language was enacted by sec. 1304 of Public Law 95-113, 91 Stat. 980, Sept. 29, 1977, and made effective for fiscal years 1978 through 1981. On Dec. 22, 1981, this subsection was extended through fiscal year 1985 by Public Law 97-98, 95 Stat. 1292.

(b)[17] The Secretary may furnish commodities to summer camps for children in which the number of adults participating in camp activities as compared with the number of children under 18 years of age so participating is not unreasonable in light of the nature of such camp and the characteristics of the children in attendance.

(c)[18] Whoever embezzles, willfully misapplies, steals or obtains by fraud any agricultural commodity or its products (or any funds, assets, or property deriving from donation of such commodities) provided under this section, or under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), or the Temporary Emergency Food Assistance Act of 1983,[19] whether received directly or indirectly from the United States Department of Agriculture, or whoever receives, conceals, or retains such commodities, products, funds, assets, or property for personal use or gain, knowing such commodities, products, funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud shall, if such commodities, products, funds, assets, or property are of a value of $100 or more, be fined not more than $10,000 or imprisoned not more than five years, or both, or if such commodities, products, funds, assets, or property are of value of less than $100, shall be fined not more than $1,000 or imprisoned for not more than one year, or both. (7 U.S.C. 612c note)

COMMODITY SUPPLEMENTAL FOOD PROGRAM

SEC. 5.[20] (a)[21] In carrying out the supplemental feeding program (hereinafter referred to as the "commodity supplemental food program") under section 4 of this Act, the Secretary (1) may institute two pilot projects directed at low-income elderly persons, including, where feasible, distribution of commodities to such persons in their homes, which projects shall operate no longer than two years, and (2) shall provide to the State agencies administering the commodity supplemental food program,[22] for each of the fiscal years 1982 through 1985, funds appropriated from the general fund of the Treasury in amounts equal to the administrative costs of State and local agencies in operating the program, except that the funds provided to State agencies each fiscal year may not exceed 15 per centum of the sum of (A) the amount appropriated for the commodity supplemental food program and (B) the value of the additional commodities donated by the Secretary to State or local agencies for use in such program which are provided without charge against funds appropriated for such program and are included in food packages distributed to program participants.[23]

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[17] Public Law 93-86, 87 Stat. 249, Aug. 10, 1973, amended by section 1304 of Public Law 95-113, 91 Stat. 980, Sept. 29, 1977. The section originally prohibited the donation of commodities if the number of adults was in excess of one for each five children.

[18] Provisions dealing with supplemental security income enacted by Public Law 93-86, 87 Stat. 249, Aug. 10, 1973, were repealed by section 1302 of Public Law 95-113, 91 Stat. 979, Sept. 29, 1977. The present language was added by section 1334 of Public Law 97-98, 95 Stat. 1292-3, Dec. 22, 1981.

[19] Reference to the 1983 legislation added by section 207 of Public Law 98-8, 97 Stat. 36, Mar. 24, 1983, and section 3 of Public Law 98-92, 97 Stat. 612, Sept. 2, 1983.

[20] This section added by section 1304(b) of Public Law 95-113, 91 Stat. 980, Sept. 29, 1977.

[21] Subsection (a) was completely revised by section 1335 of Public Law 97-98, 95 Stat. 1293, Dec. 22, 1981. As originally enacted in 1977, this subsection provided that for fiscal years 1978 through 1981, the Secretary shall pay to State or local agencies administering a commodity supplemental food program under this Act an amount equal to 15 percent of the value of the commodities made available to the agency under the program during the fiscal year (see footnote 20).

[22] Section 209 of the Temporary Emergency Food Assistance Act of 1983, Public Law 98-8, 97 Stat. 36, Mar. 24, 1983, contained the following provision:

"COMMODITY SUPPLEMENTAL FOOD PROGRAM ADMINISTRATIVE EXPENSES

"SEC. 209. Notwithstanding any other provision of law, administrative expenses for the Commodity Supplemental Food Program, on commodities donated by CCC during fiscal year 1983, shall be paid from CCC funds and shall be fifteen per centum of the book value of the commodities donated."

(b) During the first three months of any commodity supplemental food program, or until such program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to commence the program successfully: *Provided*, That in no event shall administrative costs paid by the Secretary for any fiscal year exceed the limitation established in subsection (a) of this section.

(c) Administrative costs for the purposes of the commodity supplemental food program shall include, but not be limited to, expenses for information and referral, operation, monitoring, nutrition education, start-up costs, and general administration, including staff, warehouse and transportation personnel, insurance, and administration of the State or local office.

(d) During each fiscal year the commodity supplemental food program is in operation, the types and varieties of commodities and their proportional amounts shall be determined by the Secretary, but, if the Secretary proposes to make any significant changes in the types, varieties, or proportional amounts from those that were available or were planned at the beginning of the fiscal year (or as were available during the fiscal year ending June 30, 1976, whichever is greater) the Secretary shall report such changes before implementation to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(e) The Secretary of Agriculture is authorized to issue such regulations as may be necessary to carry out the commodity supplemental food program. (7 U.S.C. 612c note)

TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983

* * * * * * *

PROHIBITION AGAINST CERTAIN STATE CHARGES

SEC. 208. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary for distribution within the States to eligible recipient agencies. the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing and transporting the commodities to recipient agencies minus any amount the Secretary provides the State for the costs of storing and transporting such commodities. (7 U.S.C. 612c note)

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[23] Amended by section 2(8) of Public Law 98-92, 97 Stat. 611, Sept. 2, 1983, to strike out "amount appropriated for the provision of commodities to State agencies" following "15 per centum of the" and insert in lieu thereof the language shown.

SECTION 416 OF THE AGRICULTURAL ACT OF 1949

(Public Law 439, 81st Congress)

DISPOSITION OF COMMODITIES TO PREVENT WASTE

SEC. 416.[24] (a) In order to prevent the waste of commodities whether in private stocks or [25] acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs,[26] in nonprofit summer camps for children,[27] in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served. In the case of (3) the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3). The Commodity Credit Corporation may pay, with respect to commodities disposed of under this subsection, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency. In addition, in the case of food commodities disposed of under this subsection, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible.[28] For the purpose of this subsection the terms "State" and "United States" include the District of Columbia and any Territory or possession of the United States. Dairy products acquired by the Commodity Credit Corporation through price support operations may, insofar as they can be used in the United States in nonprofit school lunch and other nonprofit child feeding programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served, be donated for any such use prior to any other use or disposition.[29]

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[24] The provisions of this section were substituted for previous provisions by section 302 of the Agricultural Trade Development and Assistance Act of 1954, Public Law 83-480, 68 Stat. 458, July 10, 1954. See section 9 of Public Law 85-931, 72 Stat. 1972, Sept. 6, 1958, providing for distribution of commodities under section 416 to overseas areas under the jurisdiction or administration of the United States.

The Food for Peace Act of 1966, Public Law 89-808, 80 Stat. 1538, Nov. 11, 1966, deleted all references to foreign donations from section 416, effective Jan. 1, 1967.

Section 502 of the Agricultural Programs Adjustment Act of 1984, Public Law 98-258, 98 Stat. 130, April 10, 1984, inserted the subsection designation "(a)" after the section designation, and changed all references to "section" in this subsection to read "subsection".

[25] The words "whether in private stocks or" were added by Public Law 86-108, 73 Stat. 250, July 24, 1959.

[26] See Public Law 86-756, 74 Stat. 899, Sept. 13, 1959, authorizing the use of surplus foods for training home economics students.

[27] The words "in nonprofit summer camps for children," were added by Public Law 85-483, 72 Stat. 286, July 2, 1958.

Notwithstanding any other provision of law, such dairy products may be donated for distribution to needy households in the United States and to meet the needs of persons receiving nutrition assistance under the Older Americans Act of 1965. Such dairy products may also be donated through foreign governments and public and nonprofit private humanitarian organizations for the assistance of needy persons outside the United States, and the Commodity Credit Corporation may pay, with respect to commodities so donated, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery. In order to assure that any such donations for use outside the United States are coordinated with and complement other United States foreign assistance, such donations shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 and shall be in addition to the level of assistance programmed under that Act.[30]

(b) Dairy products and wheat acquired by the Commodity Credit Corporation through price support operations, which the Secretary determines meet the criteria specified in subsection (a), may be furnished by the Secretary for carrying out title II of the Agricultural Trade Development and Assistance Act of 1954, as approved by the Secretary, and for such purposes as approved by the Secretary. The provisions of section 203 of that Act shall apply to commodities furnished under this subsection. Agreements may be entered into under this subsection to provide dairy products and wheat in installments over an extended period of time. To the maximum extent practicable, expedited procedures shall be used in implementing the provisions of this subsection. Commodities and products furnished under this subsection may be sold or bartered, as approved by the Secretary, solely as follows: (1) sales and barter which are incidental to the donation of the commodities or products, (2), sales and barter, the proceeds of which are used to finance the distribution, handling, and processing costs of the donated commodities in the importing country or other activities in the importing country that are consistent with providing food assistance to needy people, and (3) sales and barter of commodities and products donated to intergovernmental organizations, insofar as they are consistent with normal programming procedures in the distribution of commodities by those organizations. Except as provided in the foregoing sentence, no portion of the proceeds or services realized from such sales or barter may be used to meet operating and overhead expenses. The cost of commodities furnished under this subsection and expenses incurred under section 203 of that Act in connection therewith shall be in addition to the level of assistance programmed under that Act and shall not be considered expenditures for international affairs and finance. Notwithstanding the foregoing provisions of this subsection, dairy products and wheat may not be made available for disposition under this subsection in amounts that will, in any way, reduce the amounts of commodities that traditionally are made available through donations to domestic feeding programs or agencies.

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[28] This sentence was added by the Agricultural Act of 1956, Public Law 540, 84th Cong., 70 Stat. 203, May 28, 1956.

[29] This sentence was added by Public Law 91-223, 84 Stat. 199, April 17, 1970. A sentence relating to supplemental security income was deleted.

[30] The last three sentences were added by section 110 of Public Law 97-253, 96 Stat. 766, Sept. 8, 1982.

(c) To prevent the waste of dairy products acquired by the Commodity Credit Corporation through price support operations, the Corporation, on such terms and under such regulations as the Secretary may prescribe, shall carry out a two-year pilot program under which the Corporation shall barter or exchange such dairy products, to the extent they are available, for forty thousand metric tons (consisting of twenty thousand metric tons in each year of the pilot program) of ultra-high temperature processed fluid milk. Such barter or exchange shall be effected on the basis of competitive bids submitted by domestic processors. The processed milk acquired by the Corporation under this subsection shall be available for donation through foreign governments and public and nonprofit private humanitarian organizations for the assistance of needy persons outside the United States, and the Corporation may pay, with respect to such processed milk donated under this subsection, transporting, handling, and other charges, including the cost of overseas delivery. Any donations under this subsection shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 and shall be in addition to the level of assistance programmed under that Act. The pilot program shall be implemented by the Corporation as soon as practicable after the enactment of the Agricultural Programs Adjustment Act of 1984 and shall be operated for a period of two years after its implementation. Upon completion of the pilot program, the Secretary shall submit a report to Congress on its operation.[31] (7 U.S.C. 1431)

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[31] Subsections (b) and (c) were added by section 502 of the Agricultural Programs Adjustment Act of 1984, Public Law 98-258, 98 Stat. 130, April 10, 1984.

SECTION 709 OF THE FOOD AND AGRICULTURE ACT OF 1965

(Public Law 89-321)

PURCHASE OF DAIRY PRODUCTS

SEC. 709.[32] The Secretary of Agriculture is hereby authorized to use funds of the Commodity Credit Corporation to purchase sufficient supplies of dairy products at market prices to meet the requirements of any programs for the schools (other than fluid milk in the case of schools), domestic relief distribution, community action, and such other programs as are authorized by law, when there are insufficient stocks of dairy products in the hands of Commodity Credit Corporation available for these purposes. (7 U.S.C. 1446a-1)

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OLDER AMERICANS ACT OF 1965 [33]

TITLE III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

PART A—GENERAL PROVISIONS

* * * * * * *

SEC. 311. (a)(1) Agricultural commodities and products purchased by the Secretary of Agriculture under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be donated to a recipient of a grant or contract to be used for providing nutrition services in accordance with the provisions of this title.

(2) The Commodity Credit Corporation shall dispose of food commodities under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) by donating them to a recipient of a grant or contract to be used for providing nutrition services in accordance with the provisions of this title.

(3) Dairy products purchased by the Secretary of Agriculture under section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1) shall be used to meet the requirements of programs providing nutrition services in accordance with the provisions of this title.

(4) Subject to the authorization of appropriations specified in subsection (d), in donating commodities under this subsection, the Secretary of Agriculture shall maintain an annually programmed level of assistance of not lesss than 15 cents per meal during fiscal year 1976, 25 cents per meal during fiscal year 1977 and fiscal year 1978, and 30 cents per meal for each fiscal year thereafter. The amount specified in this paragraph shall be adjusted on an annual basis for each fiscal year after June 30, 1975, to reflect changes in

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[32] Public Law 89-321, 79 Stat. 1212, Nov. 3, 1965, amended by Public Law 89-808, 80 Stat. 1538, Nov. 11, 1966. The words "foreign distribution" appearing after the words "community action" were deleted by the Act of Nov. 11, 1966.

[33] Public Law 89-73, was amended by Public Law 92-258, 86 Stat. 94, March 22, 1972, to add section 707 which allowed the Secretary of Agriculture to donate commodities to recipients of grants or contracts for nutrition services under the Older American's Act of 1965. Public Law 95-478, 92 Stat. 1533, October 18, 1978, restructured the Act and added section 311. Section 311 was further amended by sections 7 and 9, Public Law 97-115, 95 Stat. 1598-1600, December 29, 1981.

the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Among the commodities delivered under this subsection, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates. The Secretary of Agriculture, in consultation with the Commissioner, is authorized to prescribe the terms and conditions respecting the donating of commodities under this subsection.

(b)(1) Notwithstanding any other provision of law, a State may, for purposes of the programs authorized by this Act, elect to receive cash payments in lieu of donated foods for all or any portion of its project. In any case in which a State makes such an election, the Secretary of Agriculture shall make cash payments to such State in an amount equivalent in value to the donated foods which the State otherwise would have received if such State had retained its commodity distribution.

(2) When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of commodities to recipients of grants or contracts. Such disbursements shall only be used by such recipients of grants or contracts to purchase United States agricultural commodities and other foods for their nutrition projects.

(3) Nothing in this subsection shall be construed to authorize the Secretary of Agriculture to require any State to elect to receive cash payments under this subsection. (42 U.S.C. 3030a)

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AGRICULTURAL ACT OF 1980

(Public Law 96-494)

DISTRIBUTION OF EXCESS AGRICULTURAL COMMODITIES THROUGH COMMODITY FOOD BANKS [34]

SEC. 211.[35] (a) The Secretary of Agriculture shall carry out special nutrition projects to provide agricultural commodities and other foods that might not otherwise be used, or might be more effectively used by organizations assisted under this section, to community food banks for emergency food box distribution to needy individuals and families. Notwithstanding any other provisions of law, the Secretary shall make available for purposes of such special nutrition projects agricultural commodities and other foods available to the Secretary under section 416 of the Agricultural Act of

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[34] Section 1114(d) of Public Law 97-98, 95 Stat. 1269, December 22, 1981, provides that the provisions of section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to distribution of surplus commodities under section 211 of the Agricultural Act of 1980.

[35] Section 211 of Public Law 96-494, 94 Stat. 2577, December 3, 1980, was amended by section 1114 (b) and (c) of Public Law 97-98, 95 Stat. 1269, December 22, 1981. The amendment redesignated the "demonstration projects" as "special nutrition projects", changed the requirement for a final report to Congress on October 1, 1982, to a "progress report on July 1, 1983, and a final report on January 1, 1984", and changed the authorization of appropriations from the specific sum of "$356,000" to "such sums as may be necessary to carry out this section". In addition the amendment inserted a new subsection (f), redesignated the existing subsection (f) as subsection (g), and changed the section heading from "Food Bank Demonstration Projects" to "Distribution of Excess Agricultural Commodities through Community Food Banks".

1949, section 709 of the Food and Agriculture Act of 1965, and section 32 of the Act of August 24, 1935 (7 U.S.C. 612c). For purposes of distributing agricultural commodities and other foods to community food banks under this section, the Secretary may, in consultation with State agencies, use food distribution systems currently used to distribute agricultural commodities and other foods under the National School Lunch Act and Child Nutrition Act of 1966. The Secretary shall select food banks, in consultation with the Director of the Community Services Administration, for participation in the special nutrition projects under this section. Food banks shall be selected for participation so as to ensure adequate geographic distribution of emergency food box programs in at least two but not more than seven Department of Agriculture regions.

(b)(1) No food bank may participate in the special nutrition projects conducted under this section unless an application therefor is submitted to and approved by the Secretary. Such application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe.

(2) Each food bank participating in the special nutrition projects under this section shall establish a recordkeeping system and internal procedures to monitor the use of agricultural commodities and other foods provided under this section. The Secretary shall develop standards by which the feasibility and effectiveness of the projects shall be measured, and shall conduct an ongoing review of the effectiveness of the projects.

(c) The Secretary shall determine the quantities and types of agricultural commodities and other foods to be made available under this section. The Secretary may prescribe regulations regarding the designation of eligible participants in the projects and any other regulations necessary to carry out this section.

(d) The Secretary shall submit to Congress a progress report on July 1, 1983, and a final report on January 1, 1984, regarding the special nutrition projects carried out under this section. Such report shall include an analysis and evaluation of Federal participation in food bank emergency food programs, the effectiveness of such participation, and the feasibility of continuing such participation. The Secretary shall also include in such report any recommendations regarding improvements in Federal assistance to community food banks, including assistance for administrative expenses and transportation.

(e) The sale of food provided under this section shall be prohibited and any person who receives any remuneration in exchange for food provided under this section shall be subject to a fine of not more than $1,000 or imprisonment for not more than six months, or both.

(f) The Secretary shall minimize paperwork requirements placed on food banks which participate in the special nutrition projects established under this section and shall otherwise encourage food banks to participate in such projects.

(g) There is authorized to be appropriated such sums as may be necessary to carry out this section. (7 U.S.C. 4004)

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AGRICULTURE AND FOOD ACT OF 1981

(Public Law 97-98)[36]

DISTRIBUTION OF SURPLUS COMMODITIES; SPECIAL NUTRITION PROJECTS

SEC. 1114. (a) Notwithstanding any other provision of law, whenever Government stocks of commodities are acquired under the price support programs and are not likely to be sold by the Commodity Credit Corporation or otherwise used in programs of commodity sale or distribution, such commodities shall be made available without charge or credit to nutrition projects under the authority of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), to child nutrition programs providing food service, and to food banks participating in the special nutrition projects established under section 211 of the Agricultural Act of 1980. Such distribution may include bulk distribution to congregate nutrition sites and to providers of home delivered meals under the Older Americans Act of 1965. The Commodity Credit Corporation is authorized to use available funds to operate the program under this subsection and to further process products to facilitate bonus commodity use. (7 U.S.C. 1431e)

AGRICULTURAL ACT OF 1954

DOMESTIC DISPOSAL OF DAIRY PRODUCTS

SEC. 204.[37] * * * (c) In order to prevent the accumulation of excessive inventories of dairy products the Secretary of Agriculture shall undertake domestic disposal programs under authorities granted in the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949, as amended, or as otherwise authorized by law. (7 U.S.C. 1446c)

AGRICULTURE AND FOOD ACT OF 1981

REDUCTION OF DAIRY PRODUCT INVENTORIES

SEC. 106.[38] The Secretary of Agriculture shall utilize, to the fullest extent practicable, the authorities under the Commodity Credit Corporation Charter Act (including exportation of dairy products at not less than prevailing world market prices), the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and other authorities available to the Secretary to reduce inventories of dairy products held by the Commodity Credit Corporation so as to reduce net Commodity Credit Corporation expenditures to the estimated outlays for the milk price support program used in developing budget outlays under the Congressional Budget of 1974 for the appropriate fiscal year. (7 U.S.C. 1446c-1)

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[36] 95 Stat. 1213, Dec. 22, 1981.

[37] Public Law 83-690, 68 Stat. 910, Aug. 28, 1954.

[38] Public Law 97-98, 95 Stat. 1220, Dec. 22, 1981.

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND VETERANS HOSPITALS

SEC. 202.[39] As a means of increasing the utilization of dairy products (including for purposes of this section, milk) upon the certification by the Administrator of Veterans' Affairs or by the Secretary of the Army, acting for the military departments under the Department of Defense's Service Purchase Assignment for Subsistence, or their duly authorized representatives that the usual quantities of dairy products have been purchased in the normal channels of trade—

(a) The Commodity Credit Corporation until December 31, 1985,[40] shall make available to the Administrator of Veterans' Affairs at warehouses where dairy products are stored, such dairy products acquired under price-support programs as the Administrator certifies that he requires in order to provide butter and cheese and other dairy products as a part of the ration in hospitals under his jurisdiction. The Administrator shall report every six months[41] to the Committees on Agriculture of the Senate and House of Representatives and the Secretary of Agriculture the amount of dairy products used under this subsection.

(b) The Commodity Credit Corporation until December 31, 1985,[40] shall make available to the Secretary of the Army, at warehouses where dairy products are stored, such dairy products acquired under price-support programs as the Secretary of the Army or his duly authorized representative certifies can be utilized in order to provide additional butter and cheese and other dairy products as a part of the ration (1) of the Army, Navy, Air Force, or Coast Guard, (2) in hospitals under the jurisdiction of the Department of Defense, and (3) of cadets and midshipmen at, and other personnel assigned to, the United States Merchant Marine Academy. The Secretary of the Army shall report every six months to the Committees on Agriculture of the Senate and the House of Representatives and the Secretary of Agriculture the amount of dairy products used under this subsection.

(c) Dairy products made available under this section shall be made available without charge except that the Secretary of the Army or the Administrator of Veterans' Affairs shall pay the Commodity Credit Corporation the cost of packaging incurred in making such products so available.

(d) The obligation of the Commodity Credit Corporation to make dairy products available pursuant to the above shall be limited to dairy products acquired by the Corporation through price-support operations and not disposed of under provisions (1) and (2) of section 416 of this Act, as amended. (7 U.S.C. 1446a)

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[39] Section 202 was added by section 204(d) of the Agricultural Act of 1954, Public Law 83-690, 68 Stat. 900, Aug. 28, 1954.

[40] "1973" substituted for "1970" by section 203 of the Agricultural Act of 1970, Public Law 91-524, 84 Stat. 1361, Nov. 30, 1970. "1977" substituted for "1973" by section 1(4) of the Agriculture and Consumer Protection Act of 1973, Public Law 93-86, 87 Stat. 223, Aug. 10, 1973. "1981" substituted for "1977" by section 204 of the Food and Agriculture Act of 1977, Public Law 95-113, 91 Stat. 920, Sept. 29, 1977. Section 104 of the Agriculture and Food Act of 1981, Public Law 97-98, 95 Stat. 1220, Dec. 22, 1981, substituted "1985" for "1981".

[41] "every six months" substituted for "monthly" by Public Law 87-495, 76 Stat. 109, June 25, 1962.

ACT OF AUGUST 19, 1958 [42]

DONATIONS OF PROCESSED GRAIN FOOD PRODUCTS

Authorizing Commodity Credit Corporation to purchase flour and cornmeal and donating same for certain domestic and foreign purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That at any time Commodity Credit Corporation has any grain available for donation pursuant to clause (3) or (4) [43] of section 416 of the Agricultural Act of 1949, as amended, section 210 of the Agricultural Act of 1956, or title II of the Agricultural Trade Development and Assistance Act, as amended, the Corporation, in lieu of processing all or any part of such grain into human food products, may purchase such processed food products in quantities not to exceed the equivalent of the respective grain available for donation on the date of such purchase and donate such processed food products pursuant to clause (3) or (4) [43] of such section 416, and to such section 210, and make such processed food products available to the President pursuant to such title II, and may sell, without regard to the provisions of section 407 of the Agricultural Act of 1949, as amended, a quantity of the grain equivalent to the processed food products so purchased: *Provided*, That no food product purchased pursuant to the authority contained herein shall constitute less than 50 per centum by weight of the grain from which processed (except that this limitation does not apply in the case of the protein byproduct resulting from the production of fuel alcohol from agricultural commodities),[44] or contain any additive other than for normal vitamin enrichment, preservative, and bleaching purposes. (7 U.S.C. 1431 note)

AGRICULTURAL ACT OF 1956

DONATIONS TO PENAL AND CORRECTIONAL INSTITUTIONS

SEC. 210.[45] Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis. (7 U.S.C. 1857)

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[42] Public Law 85–683, 72 Stat. 635. Amended by Act of August 31, 1954, Public Law 88–550, 78 Stat. 755.

[43] Clause (4) of section 416 was repealed by the Food for Peace Act of 1966, Public Law 89–808, 80 Stat. 1538, Nov. 11, 1966.

[44] This exception was added by section 1209, of the Agriculture and Food Act of 1981, Public Law 97–98, 95 Stat. 1280, Dec. 22, 1981.

[45] Public Law 84–540, 70 Stat. 202, May 28, 1956.

ACT OF SEPTEMBER 21, 1959

ENRICHMENT OF AND SANITARY CONTAINERS FOR CORNMEAL, GRITS, RICE, AND WHITE FLOUR DISTRIBUTION

SEC. 201.[46] (a) In order to insure the nutritional value of cornmeal, grits, rice, and white flour when such foods are made available for distribution under section 416(3) of the Agricultural Act of 1949 or for distribution to schools under the National School Lunch Act or any other Act, such foods shall be enriched so as to meet the standards for enriched cornmeal, enriched corn grits, enriched rice, or enriched flour, as the case may be, prescribed in regulations promulgated under the Federal Food, Drug, and Cosmetic Act; and in order to protect the nutritional value and sanitary quality of such enriched foods during transportation and storage such foods shall be packaged in sanitary containers. For convenience and ease in handling, the weight of any sanitary container when filled shall not exceed fifty pounds unless a larger container is requested by the recipient agency.[47] Nothing in this section shall prohibit the distribution of fortified parboiled rice which is substantially equal in nutritional value to that of enriched rice.[48]

(b) The term "sanitary container" means any container of such material and construction as (1) will not permit the infiltration of foreign matter into the contents of such container under ordinary conditions of shipping and handling, and (2) will not, for a period of at least one year, disintegrate so as to contaminate the contents of the container necessitating the washing of the contents prior to use. (7 U.S.C. 1431c)

ACT OF SEPTEMBER 6, 1958

DONATIONS TO AREAS UNDER U.S. JURISDICTION

SEC. 9.[49] Notwithstanding any other provision of law those areas under the jurisdiction or administration of the United States are authorized to receive from the Department of Agriculture for distribution on the same basis as domestic distribution in any State, Territory, or possession of the United States, without exchange of funds, such surplus commodities as may be available pursuant to clause (2) of section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431). (7 U.S.C. 1431b)

MUTUAL SECURITY ACT OF 1954

DOMESTIC DISTRIBUTIONS OF SURPLUS FOODS AVAILABLE FOR GRANT OR FOREIGN CURRENCY SALES

SEC. 402.[50] Of the funds authorized to be made available in the fiscal year 1961 pursuant to this Act (other than funds made available pursuant to title II), not less than $175,000,000 shall be used to finance the export and sale for foreign currencies or the grant of surplus agricultural commodities or products thereof produced in the United States, in addition to surplus agricultural commodities or products transferred pursuant to the Agricultural Trade Development and Assistance Act of 1954, and in accordance with the standards as to pricing and the use of private trade channels expressed in section 101 of said Act. Foreign currency proceeds accruing from such sales shall be used for the purpose of this Act and with particular emphasis on the purposes of section 104 of the Agricultural Trade Development and Assistance Act of 1954 which are in harmony with the purposes of this Act. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use for such purposes the foreign currencies which accrue to the United States under this section. Surplus food commodities or products thereof made available for transfer under this Act (or any other Act) as a grant or as a sale for foreign currencies may also be made available to the maximum extent practicable to eligible domestic recipients pursuant to section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), or to needy persons within the United States pursuant to clause (2) of section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c). (22 U.S.C. 1922)

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[46] Public Law 86-341, 73 Stat. 610.

[47] Clause beginning with "unless" added by the Act of October 11, 1962, Public Law 87-803, 76 Stat. 919.

[48] This sentence and all other references to rice in section 201(a) were added by the Act of October 11, 1962, Public Law 87-803, 76 Stat. 910.

[49] Public Law 85-931, 72 Stat. 1792, amended by Act of November 11, 1966, Public Law 89-808, 80 Stat. 1538, effective January 1, 1967.

[50] Public Law 83-665, 68 Stat. 843, Aug. 26, 1954.

DISASTER RELIEF ACT OF 1974 [51]

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TITLE III—DISASTER ASSISTANCE ADMINISTRATION

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FEDERAL ASSISTANCE

SEC. 302. (a) In the interest of providing maximum mobilization of Federal assistance under this Act, the President shall coordinate, in such manner as he may determine, the activities of all Federal agencies providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local disaster assistance efforts. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate. (42 U.S.C. 5142(a))

(b) Any Federal agency charged with the administration of a Federal assistance program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster. (42 U.S.C. 5142(b))

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[51] Public Law 93-288, 88 Stat. 143, May 22, 1974. Section 603 of this Act repealed the Disaster Relief Act of 1970, Public Law 91-606, 84 Stat. 1744, Dec. 31, 1970.

(c) Notwithstanding any other provision of law, any repair, restoration, reconstruction, or replacement of farm fencing damaged or destroyed as a result of any major disaster shall be considered an emergency conservation measure eligible for payments under chapter I of the Third Supplemental Appropriation Act, 1957, or any other provision of law. (42 U.S.C. 5142(c))

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EMERGENCY ASSISTANCE

SEC. 305. (a) In any emergency, the President may provide assistance to save lives and protect property and public health and safety. (42 U.S.C. 5145(a))

(b) The President may provide such emergency assistance by directing Federal agencies to provide technical assistance and advisory personnel to the affected State to assist the State and local governments in—

(1) the performance of essential community services; warning of further risks and hazards; public information and assistance in health and safety measures; technical advice on management and control: and reduction of immediate threats to public health and safety; and

(2) the distribution of medicine, food, and other consumable supplies, or emergency assistance. (42 U.S.C. 5145(b))

(c) In addition, in any emergency, the President is authorized to provide such other assistance under this Act as the President deems appropriate. (42 U.S.C. 5145(c))

COOPERATION OF FEDERAL AGENCIES IN RENDERING DISASTER ASSISTANCE

SEC. 306. (a) In any major disaster or emergency, Federal agencies are hereby authorized, on the direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies, including that determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government, to State and local governments for use or distribution by them for the purposes of this Act; and

(4) Performing on public or private lands or waters any emergency work or services essential to save lives and to protect and preserve property, public health and safety, including but not limited to: search and rescue, emergency medical care,

emergency mass care, emergency shelter, and provisions of food, water, medicine, and other essential needs, including movement of supplies or persons; clearance of roads and construction of temporary bridges necessary to the performance of emergency tasks and essential community services; provision of temporary facilities for schools and other essential community services; demolition of unsafe structures that endanger the public; warning of further risks and hazards; public information and assistance on health and safety measures; technical advice to States and local governments on disaster management and control; reduction of immediate threats to life, property, and public health and safety; and making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph. (7 U.S.C. 5146(a))

(b) Work performed under this section shall not preclude additional Federal assistance under any other section of this Act. (42 U.S.C. 5146(b))

REIMBURSEMENT

SEC. 307. Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this Act shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies. (42 U.S.C. 5147)

NONLIABILITY

SEC. 308. The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this Act. (42 U.S.C. 5148)

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TITLE IV—FEDERAL DISASTER ASSISTANCE PROGRAMS

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FOOD COMMODITIES

SEC. 410. (a) The President is authorized and directed to assure that adequate stocks of food will be ready and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency. (42 U.S.C. 5180(a))

(b) The Secretary of Agriculture shall utilize funds appropriated under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area. (42 U.S.C. 5180(b))

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Public Law 98-8, March 24, 1983—An Act

Making appropriations to provide productive employment for hundreds of thousands of jobless Americans, to hasten or initiate Federal projects and construction of lasting value to the Nation and its citizens, and to provide humanitarian assistance to the indigent for fiscal year 1983, and for other purposes.

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TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983 [52]

Sec. 201. This title may be cited as the "Temporary Emergency Food Assistance Act of 1983", and is hereinafter in this title referred to as "this Act".[53]

ELIGIBLE RECIPIENT AGENCIES

Sec. 201A. As used in this Act, the term "eligible recipient agencies" means public or nonprofit organizations that administer—

(1) activities and projects providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons;

(2) school lunch programs, summer camps for children, and other child nutrition programs providing food service;

(3) nutrition projects operating under the Older Americans Act of 1965, including congregate nutrition sites and providers of home-delivered meals;

(4) activities and projects that are supported under section 4 of the Agriculture and Consumer Protection Act of 1973;

(5) activities of charitable institutions, including hospitals and retirement homes, to the extent that needy persons are served; or

(6) disaster relief programs;

and that have been designated by the appropriate State agency, or by the Secretary, and approved by the Secretary for participation in the program established under this Act.[54]

AVAILABILITY OF CCC COMMODITIES

Sec. 202. (a) Notwithstanding any other provision of law, in order to complement the domestic nutrition programs, make maximum use of the Nation's agricultural abundance, and expand and improve the domestic distribution of price-supported commodities, commodities acquired by the Commodity Credit Corporation that the Secretary of Agriculture (hereinafter referred to as the "Secretary") determines, in his discretion, are in excess of quantities needed to—

(1) carry out other domestic donation programs

(2) meet other domestic obligations (including quantities needed to carry out a payment-in-kind acreage diversion program),

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[52] Title II, Public Law 98-8, 97 Stat. 35-36, March 24, 1983. This title was amended by section 2 of Public Law 98-92, 97 Stat. 608-612, Sept. 2, 1983. All of the amendments to this title described in footnotes 52 through 68 were made by Public Law 98-92.

[53] Amended to delete "the Act" and substitute "this Act".

[54] Amended to add new section 201A.

(3) meet international market development and food aid commitments, and

(4) carry out the farm price and income stabilization purposes of the Agricultural Adjustment Act of 1938, the Agricultural Act of 1949, and the Commodity Credit Corporation Charter Act,

shall be made available by the Secretary, without charge or credit for such commodities, for use by eligible recipient agencies for food assistance.[55]

(b) Notwithstanding any other provision of law, if wheat stocks acquired by the Commodity Credit Corporation are not available for the purposes of this Act, up to 300,000 metric tons of wheat designated under section 302(b)(1) of the Food Security Wheat Reserve Act of 1980 may[56] be used for the purposes of this Act. Any amount of wheat used from the Food Security Wheat Reserve under this Act shall be replenished by an equivalent quantity of wheat under the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980 as soon as practicable, but before October 1, 1985.[57]

PROCESSING AGREEMENTS

SEC. 203. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption thereof through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies, with the expense of the reprocessing to be borne by the recipient agencies.

INITIAL PROCESSING COSTS

SEC. 203A.[56] The Secretary may use funds of the Commodity Credit Corporation to pay costs of initial processing and packaging of commodities to be distributed under the program established under this Act into forms, and in quantities, suitable, as determined by the Secretary, for use in individual households when such commodities are to be consumed by individual households or for institutional use, as applicable. The Secretary may pay such costs in the form of Corporation-owned commodities equal in value to such costs, except that wheat from the Food Security Wheat Reserve may not be used to pay such costs. The Secretary shall ensure that any such payments in kind will not displace commercial sales of such commodities.

FEDERAL AND STATE RESPONSIBILITIES

SEC. 203B.[56] (a) The Secretary shall, as expeditiously as possible, provide the commodities made available under this Act in such quantities as can be used without waste to State agencies designated by the Governor or other appropriate State official for distribution to eligible recipient agencies, except that the Secretary may provide such commodities directly to eligible recipient agencies and to private companies that process such commodities for eligible recipient agencies under sections 203 and 203A of this Act.

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[55] Amended subsection (a) to read as shown.

[56] Amended to delete "shall" and substitute "may".

[57] Amended to delete "December 1, 1983" and substitute "October 1, 1985."

(b) State agencies receiving commodities under this Act shall, as expeditiously as possible, distribute such commodities, in the quantities requested (to the extent practicable), to eligible recipient agencies within their respective States. However, if a State agency cannot meet all requests for a particular commodity under this Act, the State agency shall give priority in the distribution of such commodity to eligible recipient agencies providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

(c) Each State agency receiving commodities for individual household use under this Act shall distribute such commodities to eligible recipient agencies in the State that serve needy persons, and shall, with the approval of the Secretary, determine those persons in the State that shall qualify as needy persons eligible for such commodities.

ASSURANCES; ANTICIPATED USE

SEC. 203C.[58] (a) The Secretary shall take such precautions as the Secretary deems necessary to assure that any eligible recipient agency receiving commodities under this Act will provide such commodities to persons served by the eligible recipient agency and will not diminish its normal expenditures for food by reason of the receipt of such commodities. The Secretary shall also take such precautions as the Secretary deems necessary to assure that commodities made available under this Act will not displace commercial sales of such commodities or the products thereof. The Secretary shall not make commodities available for donation in any quantity or manner that the Secretary, in the Secretary's discretion, determines may, substitute for the same or any other agricultural produce that would otherwise be purchased in the market.

"(b) Commodities provided under this Act shall be distributed only in quantities that can be consumed without waste. No eligible recipient agency may receive commodities under this Act in excess of anticipated use, based on inventory records and controls, or in excess of its ability to accept and store such commodities.

AUTHORIZATION AND APPROPRIATIONS

SEC. 204. (a) There is appropriated for the period ending September 30, 1983, $50,000,000 for the Secretary to make available to the States for storage and distribution costs, of which not less than $10,000,000 shall be made available for paying the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons, provided that in no case shall such payments exceed five per centum of the value of commodities distributed by any such agency.

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[58] Amended to add sections 203A, 203B and 203C.

(b)[59] There are hereby authorized to be appropriated $50,000,000 for each of the fiscal years ending September 30, 1984, and September 30, 1985, for the Secretary to make available to the States for storage and distribution costs of which not less than twenty per centum of the amount appropriated under this subsection in any fiscal year shall be made available for paying or providing advance payments to cover the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit eligible recipient agencies providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons: *Provided*, That in no case shall such payments exceed five per centum of the value of commodities distributed by any such agency.

(c)[60] The value of the commodities made available under this Act and the funds of the Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against appropriations made or authorized under this section.[60]

RELATIONSHIP TO OTHER PROGRAMS [61]

SEC. 205. (a) [62] Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act.

(b) Except as otherwise provided in section 203A of this Act, none of the commodities distributed under this Act shall be sold or otherwise disposed of in commercial channels in any form.[63]

COMMODITIES NOT INCOME

SEC. 206. Notwithstanding any other provision of law, commodities distributed under this Act shall not be considered income or resources for any purposes under any Federal, State, or local law.

PENALTIES

SEC. 207. * * * [64]

PROHIBITION AGAINST CERTAIN STATE CHARGES

SEC. 208. * * * [64]

COMMODITY SUPPLEMENTAL FOOD PROGRAM ADMINISTRATIVE EXPENSES

SEC. 209. Section 5(a)(2) of the Agriculture and Consumer Protection Act of 1973 (U.S.C. 612c note) is amended by striking out amount "appropriated for the provision of commodities to State agencies" and inserting in lieu thereof "sum of (A) the amount appropriated for the commodity supplemental food program and (B) the value of the additional commodities donated by the Secretary to State or local agencies for use in such program which are provided without charge against funds appropriated for such program and are included in food packages distributed to program participants".[65]

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[59] Amended to insert new subsection (b).

[60] Amended to designate last sentence of section 204(a) as new subsection (c), and to delete "this appropriation" and substitute "appropriations made or authorized under this subsection".

[61] Amended to read as shown.

[62] Amended to insert subsection designation.

[63] Amended to add new subsection (b).

[64] Contain amendments to other legislation or free-standing provisions.

REGULATIONS

SEC. 210. (a)[66] The Secretary shall issue regulations within 30 days to implement this Act.

(b)[67] In administering this Act, the Secretary shall minimize, to the maximum extent practicable, the regulatory, recordkeeping, and paperwork requirements imposed on eligible recipient agencies.

(c)[67] With respect to the commodity distribution program under this Act in effect during the fiscal years ending September 30, 1984, and September 30, 1985, the Secretary shall, not later than October 1, 1983 publish in the Federal Register an estimate of the types and quantities of commodities that the Secretary anticipates are likely to be made available during the first twelve months of the program; and, prior to the beginning of the fiscal year ending September 30, 1985, the Secretary shall publish in the Federal Register an estimate of the types and quantities of commodities that the Secretary anticipates are likely to be made available during the second twelve months of the program under this Act: *Provided*, That the actual types and quantities of commodities made available by the Secretary under this Act may differ from the estimates.

FINALITY OF DETERMINATIONS

SEC. 211.[68] Determinations made by the Secretary of Agriculture under this Act and the facts constituting the basis for any donation of commodities under this Act, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

PROGRAM TERMINATION

SEC. 212.[68] The provisions of this Act, with the exception of 207, shall terminate September 30, 1985.

Public Law 98-8, March 24, 1983[69]

FOOD DISTRIBUTION AND EMERGENCY SHELTERS

There is hereby appropriated $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

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[65] Amended to read as shown.
[66] Amended to insert subsection designation.
[67] Amended to add new subsections (b) and (c).
[68] Amended to add new sections 211 and 212.
[69] 97 Stat. 13 at 28, commonly referred to as the "Jobs Bill."

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $50,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

There is hereby appropriated $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this Act or any other law, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency in Consultation with the Director of the Office of Community Services Department of Health and Human Services shall, within thirty days of the enactment of this Act, make grants totaling $50,000,000 to States (as defined in section 673(4) of Public Law 97-35) for the purposes of carrying out a program of shelter and food distribution within the States. The Director of the Federal Emergency Management Agency shall make grants to States in amounts based upon the procedure established for determining allotments to States in section 674 of Public Law 97-35 except that the Director of the Federal Emergency Management Agency shall disregard subsection (B) of section 674(a)(1).

No part of the appropriation provided herein shall be expended for the administrative costs of the Federal Emergency Management Agency or any other Federal agency. Administrative cost shall be limited to 2 per centum of the total appropriation: *Provided*, That the States shall use such funds to supplement and coordinate efforts to supply food and shelter by organizations such as the United Way agencies, the Salvation Army chapters, community action agencies, church organizations, and other voluntary groups and organizations.

Public Law 98-151, November 14, 1983 [70]

FOOD DISTRIBUTION AND EMERGENCY SHELTER

There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $10,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this joint resolution or any other provision of law, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $10,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

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[70] 97 Stat. 964 at 974.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

Public Law 98-181, November 30, 1983 [71]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, namely:

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EMERGENCY FOOD DISTRIBUTION AND SHELTER PROGRAM

For an emergency food distribution and shelter program to be carried out by the Director of the Federal Emergency Management Agency, $30,000,000, such sum to remain available for obligation until March 31, 1984, and to be made available under the following terms and conditions:

(1) The Director of the Federal Emergency Management Agency shall, as soon as practicable after the date of the enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Incorporated, the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall serve as chairman of the national board.

(2) Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determinining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

(3) The Director of the Federal Emergency Management. Agency shall award a grant for $30,000,000 to the national board within thirty days after the date of the enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations.

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[71] 97 Stat. 1153 at 1154.

(4) Eligible private voluntary organizations shall be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

(5) Participation in the program shall be based upon a private voluntary organization's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

(6) Total administrative costs may not exceed 2 percent of the total appropriation.

(7) As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

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